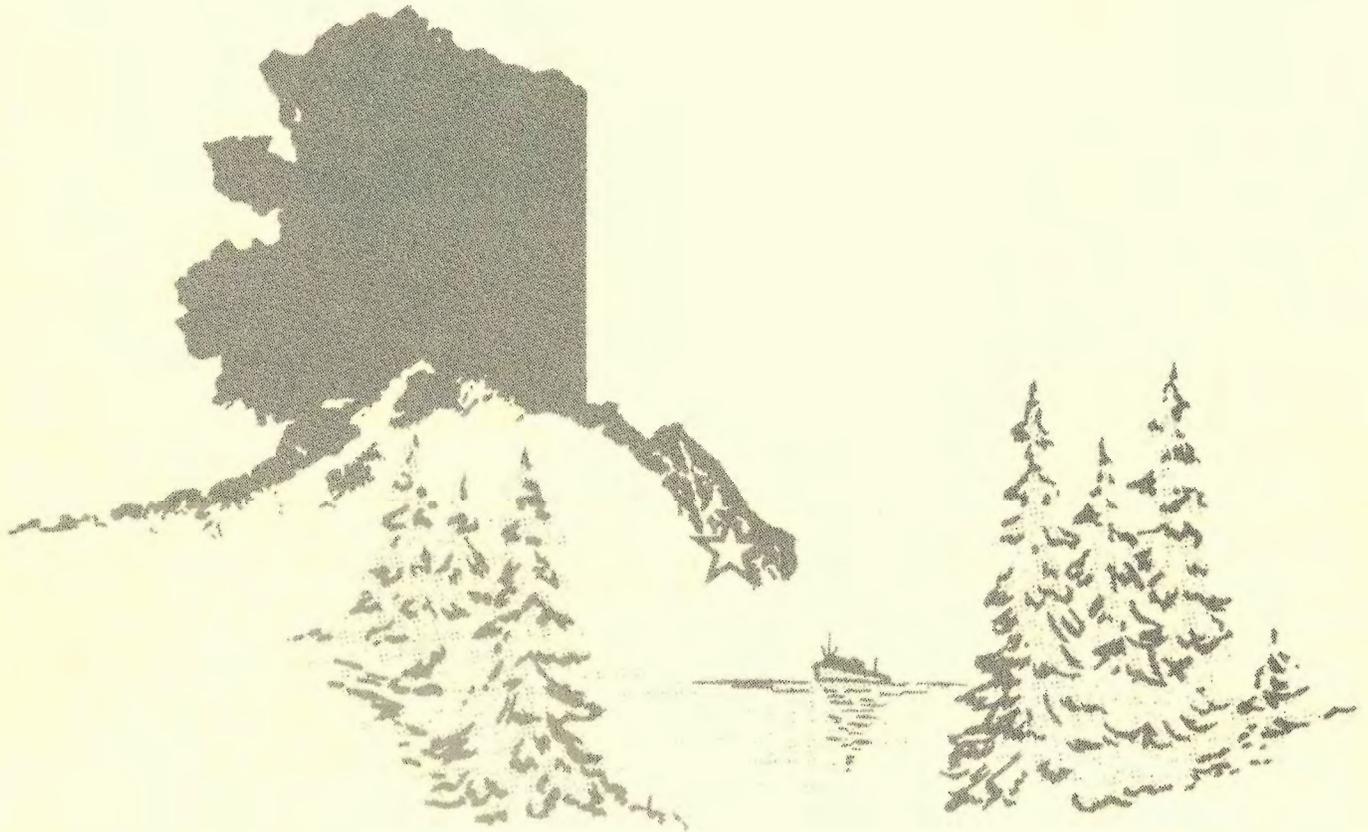


**KETCHIKAN
GATEWAY
BOROUGH
ALASKA**



**COMPREHENSIVE
ANNUAL FINANCIAL
REPORT**

**FOR FISCAL YEAR
ENDED JUNE 30, 1993**

KETCHIKAN GATEWAY BOROUGH
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal year Ended June 30, 1993

Prepared by
KETCHIKAN GATEWAY BOROUGH
DEPARTMENT OF ADMINISTRATIVE SERVICES

Alvin E. Hall, Director

KETCHIKAN GATEWAY BOROUGH

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 1993

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INTRODUCTORY SECTION

November 10, 1993

Honorable Mayor and Members of the Assembly
Ketchikan Gateway Borough
Ketchikan, Alaska

The Comprehensive Annual Financial Report of the Ketchikan Gateway Borough, Alaska for the fiscal year ended June 30, 1993, is hereby submitted. The Borough Administrative Services Department has prepared this report. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Borough. We believe the data, as presented, is accurate in all material respects and that it is presented in a manner designed to fairly set forth the financial position and results of operations of the Borough as measured by the financial activity of the various funds. All disclosures have been included to enable the reader to gain a maximum understanding of the Borough's financial activity.

ECONOMIC CONDITION AND OUTLOOK

The economy of the Ketchikan area is based primarily on forest products, fishing, and tourism. This results in the economy of Ketchikan being more stable than in other areas of Alaska that are much more dependent on oil production revenues. Although both fishing and forest products industries experience economic fluctuations, the long term outlook for both of these industries remains favorable. In addition, Ketchikan has experienced a large growth in tourism during the last few years as the number of visitors arriving on cruise ships, planes and boats has increased substantially. This trend of increased tourism is expected to continue in the future.

FINANCIAL INFORMATION

Management of the Borough is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Borough are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgements by management.

Single Audit. As a recipient of federal and state financial assistance, the Borough also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

As a part of the single audit performed by the Borough's independent accountants, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs and state awards, as well as to determine that the Borough has complied with applicable laws and regulations. The results of the Borough's single audit for the fiscal year ended June 30, 1993, provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budgeting Controls. Formal budgetary integration is employed as a management control device during the year for the General Fund and certain special revenue funds. The debt service funds do not use formal budgetary integration because effective budgetary control is alternatively achieved through general obligation bond indenture provisions. The remaining special revenue funds and the capital projects funds are budgeted on a project length basis, and formal budgetary control is achieved as such.

The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Ketchikan Gateway Borough Assembly. Resources are allocated to and accounted for in individual funds, based upon the purposes for which those funds were created. The Assembly may, by ordinance, transfer appropriations between funds and amend the original budget in total. The Borough Manager may transfer amounts between line items within a department. The legal level of control (that is, the level at which expenditures cannot legally exceed the appropriation) is at the fund level.

Capital projects and grant activities are budgeted on project length basis. Activities of the General Fund and certain special revenue funds are included in the annual appropriating budget, and appropriations lapse at year end. The Borough also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Open encumbered amounts lapse at year end; however, they are reappropriated as part of the following year's budget.

As demonstrated by the statements and schedules included in the financial section of this report, the Ketchikan Gateway Borough continues to meet its responsibility for sound financial management.

General Fund Balance. The General Fund fund balance declined to \$404,983 from the prior year. It is unlikely that the Borough will need to enter the short-term market to pay for current operating expenditures.

Enterprise Operations. The Ketchikan Gateway Borough enterprise operations are comprised of the Ketchikan International Airport, Bus Transit System and Recreation Programs. The intent of the Borough is that the cost of providing services to the general public be financed primarily through user charges. The acquisition, maintenance, and improvements of the facilities are financed from existing cash resources from operations, tax levies, the issuance of general obligation and revenue bonds, and state revenue sharing.

Fiduciary Responsibility. The Ketchikan Gateway Borough has fiduciary responsibility in three areas. First, Alaska statutes require the Borough to be responsible for collection and distribution of property and sales taxes for cities within the Borough. The second area of fiduciary responsibility involves participation by Borough employees in a deferred compensation plan. While the Borough does not administer the plan, contributions are assets of the Borough and are reported in an agency fund. Finally, the School District acts as an agent for student associations and booster clubs through student activity funds.

Debt Administration. At June 30, 1993, the Ketchikan Gateway Borough had outstanding debt of \$12,384,000. This comprised of \$11,855,000 in general obligation school debt, and enterprise funds have outstanding debt of \$870,000 comprised of \$620,000 in general obligation bonds and \$250,000 in revenue bonds.

Cash Management. Cash temporarily idle during the year was invested in obligations of the U.S. Government, its agencies and instrumentalities, certificates of deposit, and repurchase agreements. Central treasury balances earned interest of \$1,187,631 on all investments for the year ended June 30, 1993. Central treasury balances consisted of the General Fund, special revenue funds, capital projects funds, and portions of the enterprise and agency funds.

The Borough's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Normally all bank balances are covered by federal depository insurance, or by collateral held by the Borough's agent in the Borough's name. Borough investments are insured, registered, or are securities which are held by the Borough or its agent in the Borough's name, which places them in the lowest risk category as defined by Statement No. 3 of the Governmental Accounting Standards Board.

Risk Management. The Borough currently maintains coverage for comprehensive general liability, automobile liability, building and contents, education errors and omissions, and public officials liability.

SIGNIFICANT EVENTS AND ACCOMPLISHMENTS

A legislative appropriation was approved for the Ketchikan High School in the amount of \$9,501,600 for completion. The legislature also appropriated \$800,000 for Mountain Point Water and Sewer, \$1,000,000 for the Ferry realignment, \$177,000 for design of the Indoor Recreation Center, \$100,000 for ADA upgrades, \$195,000 for the Airport Walkway cover, \$235,000 for new buses meeting ADA requirements, and in addition several smaller grants have been approved under the matching fund program.

OTHER INFORMATION

Alaska State Statutes 29.35.120 requires an annual independent audit of the accounts and financial transactions of the Borough by a certified public accountant. The accounting firm of Hogan, Mecham, Richardson and Company, CPA's, was selected and ratified by the Borough Assembly. In addition to meeting the requirements set forth in the State Statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act of 1984 and related OMB Circular A-128 and the State of Alaska Single Audit Act 2 AAC 45.010. The Auditor's report on the general purpose financial statements is included in the financial section of this report. The combining, individual fund and account group financial statements and schedules are presented for purposes of additional analysis. The auditor's reports related specifically to the single audit are contained in a separate report.

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Administrative Services Department. We wish to express our appreciation to all members of the Administrative Services Department who assisted and contributed in many ways in making possible the preparation of this report. We also want to thank you, the Mayor and Members of the Borough Assembly, for your interest and support in planning and conducting the financial operations of the Borough in a responsible and progressive manner.

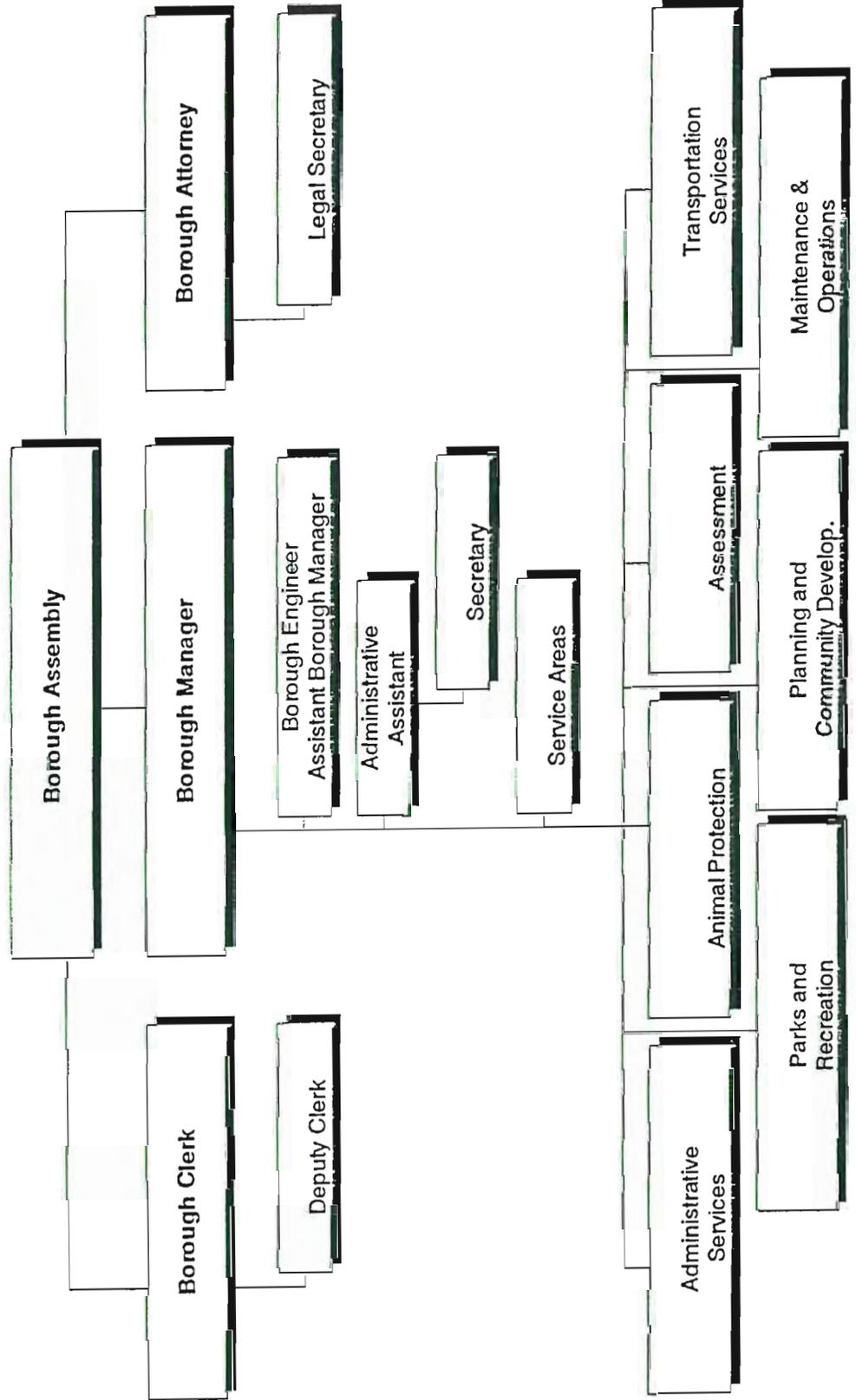
Respectfully submitted,



Alvin E. Hall
Director of Administrative Services

KETCHIKAN GATEWAY BOROUGH

ORGANIZATIONAL CHART



KETCHIKAN GATEWAY BOROUGH

PRINCIPAL BOROUGH OFFICIALS

June 30, 1993

MAYOR AND ASSEMBLY

Ralph M. Bartholomew	Mayor
Bob Boatwright	Assemblymember
Don Chenall	Assemblymember
John Conley	Assemblymember
John Cote	Assemblymember
Michael R. Cruise	Assemblymember
Ernest Hansen	Assemblymember
Dennis McCarty	Assemblymember

BOROUGH STAFF

Michael D. Rody	Manager
James E. Voetberg	Assistant Manager
Teresa Williams	Municipal Attorney
Georgianna Zimmerle	Borough Clerk
Alvin E. Hall	Director Administrative Services
Dennis Finnegan	Director of Assessing
Lester E. Williams	Chief of Animal Protection
Gary Munsterman	Director of Planning
Ken Linder	Airport Manager
Sue Daly	Director Parks and Recreation

FINANCIAL SECTION

HOGAN, MECHAM, RICHARDSON AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

1734 TONGASS AVENUE
KETCHIKAN, ALASKA 99901

(907) 225-9688
FAX (907) 225-9687

Partners:

L. Pete Hogan, CPA
Edward B. Mecham, CPA
S. Dirk Richardson, CPA

A Member of the
AICPA Private
Company Practice
Section

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the Borough Assembly
Ketchikan Gateway Borough
Ketchikan, Alaska

We have audited the accompanying general purpose financial statements of the Ketchikan Gateway Borough ("the Borough") as of and for the year ended June 30, 1993. These general purpose financial statements are the responsibility of the Borough's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Ketchikan Gateway Borough as of June 30, 1993, and the results of its operations and the cash flows of its proprietary and similar trust fund types for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual

HOGAN, MECHAM, RICHARDSON AND COMPANY
Certified Public Accountants

To the Honorable Mayor and
Members of the Borough Assembly
Ketchikan Gateway Borough

fund and account group financial statements and schedules listed in the accompanying table of contents, are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Ketchikan Gateway Borough. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

The other data included in this report, designated as the "Statistical Section - Unaudited" in the table of contents, has not been audited by us and, accordingly, we do not express an opinion on such data.

Hogan, Mecham, Richardson and Company

October 19, 1993

GENERAL PURPOSE FINANCIAL STATEMENTS

The financial statements in this section provide a summary overview of the financial position of all funds and account groups including summary operating results of all funds.

The following statements are included in this section:

Combined Balance Sheet - All Fund Types and Account Groups

Combined Statement of Revenues, Expenditures and Changes in Fund Balance - All Governmental Fund Types and Expendable Trust Funds

Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget & Actual - General and Special Revenue Fund Types

Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balances - All Proprietary Fund Types and Similar Trust Funds

Combined Statement of Cash Flows - All Proprietary Fund Types and Similar Trust Funds

KETCHIKAN GATEWAY BOROUGH
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 1993

	Governmental Fund Types			Fiduciary Fund Types Trust and Agency Funds	Account Groups			Totals (Memorandum only) Primary Government	Component Units	Totals (memorandum only) Reporting Entity
	General	Special Revenue	Debt Service		Capital Projects	Proprietary Fund Types Enterprise	General Fixed Assets			
ASSETS										
Cash and Temporary Investments	\$ 734,302	\$ 6,887,221		\$ 10,156,056	\$ 211,887		\$ 17,889,466	\$ 267,756	\$ 18,257,222	
Funds with Fiscal Agents							547,404		547,404	
Property Taxes Receivable	33,442						33,442		33,442	
Due From Other Governments	112,304	194,153			500		194,653		194,653	
Accounts Receivable	284,569	77,393			179,633		369,330		894,943	
Due From Other Funds	352,708						284,569		833,984	
Accrued Interest Receivable	6,413						352,708		352,708	
Prepaid Insurance							6,413		241,514	
Deferred Accounts Receivable		256,894					256,894		256,894	
Inventory									24,536	
Restricted Assets										
Bond Redemption Fund Cash and Investments					59,733		59,733	115,562	175,295	
Plant in Service					8,717,991		8,717,991		8,717,991	
Land					(3,761,174)		(3,761,174)		(3,761,174)	
Accumulated Depreciation						\$ 30,865	30,865		148,061	
Buildings						1,612,316	1,612,316		27,270,836	
Equipment						1,414,871	1,414,871		4,637,130	
Leasehold Improvements						140,582	140,582		17,867	
Amount to be Provided for Payment of Long Term Debt								12,384,000	12,384,000	
Total Assets	\$ 1,523,736	\$ 7,415,661	\$	\$ 10,156,056	\$ 5,378,570	\$ 3,198,634	\$ 40,604,059	\$ 33,761,041	\$ 74,355,104	

KETCHIKAN GATEWAY BOROUGH
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 1993

	Governmental Fund Types		Capital Projects	Proprietary Fund Types Enterprise	Fiduciary Fund Types Trust and Agency Funds	Account Groups		Totals (Memorandum only) Primary Government	Component Units	Totals (memorandum only) Reporting Entity
	General	Special Revenue				Debt Service	General Fixed Assets			
LIABILITIES AND FUND EQUITY										
Liabilities										
Accounts Payable	\$ 84,310	\$ 636,313	\$ 1,494,801	\$ 76,093			\$ 2,292,417	\$ 606,230	\$ 2,898,647	
Retainage Payable			613,855				613,855		613,855	
Due to Other Governments	103,976			52,205			103,976		103,976	
Due to Other Funds	540,415	232,364	250,000	14,308			833,984		833,984	
Accrued Interest Payable				202,590			264,308		264,308	
Accrued Liabilities	365,253						567,843	199,123	766,966	
Deferred Revenue	15,801	395,233	4,974,610				5,385,644	43,761	5,429,405	
Deferred Compensation				870,000	\$ 547,404		547,404	171,734	719,138	
Bonds Payable							13,254,000		13,254,000	
Total Liabilities	1,118,755	1,263,910	7,333,266	1,216,096	547,404		23,863,431	1,020,848	24,884,279	
Equity and Other Credits:										
Contributed Capital				1,878,804			1,878,804		1,878,804	
Investment in General										
Fixed Assets						\$ 3,198,634	3,198,634	32,043,058	35,241,692	
Retained Earnings:				59,733			59,733		59,733	
Reserved for Bond Retirement				2,223,937			2,223,937		2,223,937	
Unreserved										
Fund Balances:										
Reserved for Encumbrances	6,413						6,413	543,860	543,860	
Reserved for Prepaid								235,101	241,514	
Reserved for Inventory								24,536	24,536	
Reserved PL-874								14,817	14,817	
Reserved for Endowments								25,000	25,000	
Unreserved Fund Balance	398,570	6,151,751	2,822,790				9,373,111	(146,179)	9,226,932	
Total Equity and Other Credits	404,983	6,151,751	2,822,790	4,162,474		3,198,634	16,740,632	32,740,193	49,480,825	
Total Liabilities, Equity and Other Credits	\$ 1,523,738	\$ 7,415,661	\$ 10,156,056	\$ 5,378,570	\$ 547,404	\$ 3,198,634	\$ 40,604,063	\$ 33,781,041	\$ 74,365,104	

The notes to the financial statements are an integral part of this statement.

KETCHIKAN GATEWAY BOROUGH

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Fiscal Year Ended June 30, 1993

	General	Special Revenue	Debt Service	Capital Projects	Totals (memorandum only) Primary Government	Components Units	Totals (memorandum only) Reporting Entity
REVENUES							
Taxes	\$ 9,404,270	\$ 586,667			\$ 9,990,937		9,990,937
Payments in Lieu of Taxes	24,448				24,448		24,448
Licenses and Permits	14,348				14,348		14,348
Revenues from Other Govts	1,128,581	7,191,201		\$ 5,360,345	13,680,127	16,447,903	30,128,030
Charges for Services	207,603	49,329			256,932		256,932
Other Revenues	416,027	528,270		791,081	1,735,378		1,735,378
Total Revenues	11,195,277	8,355,467		6,151,426	25,702,170	16,447,903	42,150,073
EXPENDITURES							
Current							
General Government	1,784,097				1,784,097		1,784,097
Animal Control	258,562				258,562		258,562
Public Services	1,226,708	3,511,169			4,737,877	22,497,767	27,235,644
Non-Departmental	180,520				180,520		180,520
Education	595,735				595,735		595,735
Capital Outlay	72,238	18,314		12,580,185	12,670,737		12,670,737
Debt Service			\$ 4,923,178		4,923,178		4,923,178
Total Expenditures	4,117,860	3,529,483	4,923,178	12,580,185	25,150,706	22,497,767	47,648,473
Excess (Deficit) of Revenues over Expenditures	7,077,417	4,825,984	(4,923,178)	(6,428,759)	551,464	(6,049,864)	(5,498,400)
Other Financing Sources (Uses)							
Operating Transfers In	453,904		4,923,178	150,000	5,527,082	6,347,993	11,875,075
Operating Transfers Out	(7,071,297)	(5,512,082)			(12,583,379)		(12,583,379)
Unusual Sales Tax Refund	(173,241)				(173,241)		(173,241)
Total Other Financing Sources (Uses)	(6,790,634)	(5,512,082)	4,923,178	150,000	(7,229,538)	6,347,993	(881,545)
Excess (Deficit) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	286,783	(686,098)		(6,278,759)	(6,678,074)	298,129	(6,379,945)
Fund Balances, Beginning of Year	118,200	6,837,849		9,101,549	16,057,598	399,008	16,456,604
Fund Balances, End of Year	\$ 404,983	\$ 6,151,751	\$	\$ 2,822,790	\$ 9,379,524	\$ 697,135	\$ 10,076,659

The notes to the financial statements are an integral part of this statement.

KETCHIKAN GATEWAY BOROUGH
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - GENERAL AND BUDGETED SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 1993

	General			Budgeted Special Revenue			Total Memorandum Only		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES									
Taxes	\$ 9,905,889	\$ 9,404,270	\$ (501,619)	\$ 395,302	\$ 407,960	\$ 12,658	\$ 10,301,191	\$ 9,812,230	\$ (488,961)
Payments in Lieu of Taxes	15,000	24,448	9,448				15,000	24,448	9,448
Licenses and Permits	18,000	14,348	(3,652)				18,000	14,348	(3,652)
Revenue from Other Govts	1,030,704	1,128,581	97,877	4,111,417	4,300,062	188,645	5,142,121	5,428,643	286,522
Charges for Services	164,450	207,603	43,153	47,410	49,329	1,919	211,860	256,932	45,072
Other Revenues	250,000	416,027	166,027	965,911	493,340	(472,571)	1,215,911	909,367	(306,544)
Total Revenues	11,384,043	11,195,277	(188,766)	5,520,040	5,250,691	(269,349)	16,904,083	16,445,968	(458,115)
EXPENDITURES									
Administration	1,832,727	1,784,097	48,630				1,832,727	1,784,097	48,630
Animal Control	255,357	258,562	(3,205)				255,357	258,562	(3,205)
Public Services	1,424,092	1,226,708	197,384	698,340	624,582	73,758	2,122,432	1,851,290	271,142
Non-Departmental	254,855	180,520	74,335				254,855	180,520	74,335
Education	591,235	595,735	(4,500)				591,235	595,735	(4,500)
Capital Projects	195,350	72,238	123,112	583,214		583,214	778,564	72,238	706,326
Total Expenditures	4,553,616	4,117,860	435,756	1,281,554	624,582	656,972	5,835,170	4,742,442	1,092,728
Excess (Deficit) of Revenues over Expenditures	6,830,427	7,077,417	246,990	4,238,486	4,626,109	387,623	11,068,913	11,703,526	634,613
Other Financing Sources (Uses)									
Transfers from Other Funds	456,304	453,904	(2,400)				456,304	453,904	(2,400)
Transfers to Other Funds	(7,257,993)	(7,071,297)	186,696	(5,361,359)	(5,362,082)	(723)	(12,619,352)	(12,433,379)	185,973
Unusual Sales Tax Refund		(173,241)	(173,241)					(173,241)	(173,241)
Total Other Financing Sources (Uses)	(6,801,689)	(6,790,634)	11,055	(5,361,359)	(5,362,082)	(723)	(12,163,048)	(12,152,716)	10,332
Excess (Deficit) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	28,738	286,783	258,045	(1,122,873)	(735,973)	386,900	(1,094,135)	(449,190)	644,945
Fund Balance, Beginning of Year	118,200	118,200		1,346,835	1,346,835		1,465,035	1,465,035	
Fund Balances, End of Year	\$ 146,938	\$ 404,983	\$ 258,045	\$ 223,962	\$ 610,862	\$ 386,900	\$ 370,900	\$ 1,015,845	\$ 644,945

The notes to the financial statements are an integral part of this statement.

KETCHIKAN GATEWAY BOROUGH

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
RETAINED EARNINGS/FUND BALANCES

ALL PROPRIETARY FUND TYPES

For the Fiscal Year Ended June 30, 1993

	Proprietary Fund Types Enterprise Funds
OPERATING REVENUES	
Charges for Services	\$ <u>2,481,834</u>
Total Operating Revenues	<u>2,481,834</u>
OPERATING EXPENSES	
Operating Expenses	<u>3,175,507</u>
Total Expenses	<u>3,175,507</u>
Operating Loss	<u>(693,673)</u>
Non operating Revenues (Expenses)	
Interest Earnings	14,781
State Operating Grants	158,967
Interest Expense	<u>(69,014)</u>
Total Nonoperating Revenues (Expenses)	<u>104,734</u>
Income (Loss) Before Operating Transfers	<u>(588,939)</u>
Operating Transfers In	723,304
Operating Transfers Out	<u>(15,000)</u>
Total Transfers	<u>708,304</u>
Net Income	119,365
Depreciation of Fixed Assets Acquired by Grant	<u>119,936</u>
Net Increase	239,301
Retained Earnings/Fund Balances, Beginning of Year	<u>2,044,369</u>
Retained Earnings/ Fund Balances, End of Year	<u>\$ 2,283,670</u>

The notes to the financial statements are an integral part of this statement.

KETCHIKAN GATEWAY BOROUGH
 COMBINED STATEMENT OF CASH FLOWS
 ALL PROPRIETARY FUND TYPES
 For the Fiscal Year Ended June 30, 1992

	<u>Proprietary Fund Types Enterprise Funds</u>
Cash Flows for Operating Activities:	
Operating Income (Loss)	\$ (693,673)
Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used in) Operating Activities:	
Depreciation	344,336
Change in Assets and Liabilities:	
(Increase) in Accounts Receivables	84,621
Decrease in Due from Other Governments	(338)
(Decrease) in Accounts Payable	(143,249)
(Decrease) in Accrued Liabilities	<u>(1,953)</u>
Net Cash Provided by (Used in) Operating Activities	<u>(410,256)</u>
Cash Flows from Noncapital Financing Activities:	
Operating Grants Received	158,967
Increase (Decrease) in Due to Other Funds	21
Transfers in from General Fund	723,304
Transfers out to General Fund	<u>(15,000)</u>
Net Cash Provided by Noncapital Financing Activities	<u>867,292</u>
Cash Flows from Capital and Related Financing Activities:	
Acquisition of Equipment	(156,523)
Principal Paid on Bonds Payable	(220,000)
Interest Paid on Bonds Payable	<u>(69,014)</u>
Net Cash Used for Capital and Related Financing Activities	<u>(445,537)</u>
Cash Flows from Investing Activities	
Interest on Investments	<u>14,781</u>
Net Increase in Cash and Cash Equivalents	26,280
Cash and Cash Equivalents, Beginning of Year	<u>245,340</u>
Cash and Cash Equivalents, End of Year	\$ <u><u>271,620</u></u>

Noncash investing, capital, and financing activities: None

The notes to the financial statements are an integral part of this statement.

KETCHIKAN GATEWAY BOROUGH

Notes to the Financial Statements

June 30, 1993

Note 1. Summary of Significant Accounting Policies

The financial statements of the Ketchikan Gateway Borough have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Borough's accounting policies are described below.

A. Reporting Entity

The Ketchikan Gateway Borough was incorporated September 13, 1963, under the provisions of the State of Alaska Borough Act of 1961, as a second class borough. The Borough operates under a seven member elected assembly and manager form of government and provides the following areawide services: assessment and collection of taxes for the Borough and cities within the Borough, animal control, parks and recreation, transportation, economic development, planning and zoning, education, senior citizen funding, and general administrative services. The Borough also provides fire protection, sewer, water services and road maintenance on a non-areawide basis represented by service areas. The Borough also provides limited emergency management services.

Included within the Ketchikan Gateway Borough's Comprehensive Annual Financial Report are the Ketchikan Gateway Borough School District and various Nonareawide Service Areas in accordance with the Governmental Accounting Standards Board, GASB 14, on "The Financial Reporting Entity". Oversight responsibility is derived from the governmental unit's powers and includes, but is not limited to, financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. While the School District and service areas are governed by separately elected or appointed boards, final responsibility rests with the Borough. The Borough Assembly is responsible for approving their budgets and establishing spending limitations, for funding any deficits, for levying taxes and collecting and distributing the funds, and for issuing bonds to finance capital improvements. For these reasons, the accompanying financial statements include all activities of the Ketchikan Gateway Borough, Ketchikan Gateway Borough School District, and service areas. The Borough does not exercise any element of oversight responsibility, as defined by GASB 14, over any other entity.

Excluded from the reporting entity are the State of Alaska Public Employees' Retirement System, Master, Mates and Pilots, and International Brotherhood of Electrical Workers employee pension plans. The Borough has no authority over the financing of deficits, no entitlement to surpluses, or responsibility for debt for these pension plans. It also has no influence over management designation and no ability to influence operations. The State of Alaska administers and has oversight responsibility for the Public Employees' Retirement System and the Teachers' Retirement System. However, current pension information as it relates to the reporting entity is presented in Note 15 of the Notes to the Financial Statements.

B. Fund Accounting

The accounts of the Borough are organized on the basis of funds and account groups. A fund is considered a separate set of self-balancing accounts comprised of assets, liabilities, fund balance/retained earnings, revenues and expenditures/expenses for transactions related to certain government functions or activities. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. Funds are classified in three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate fund types.

Governmental Funds

Governmental fund operations are focused on the measurement of the sources and flow of current financial resources. This measurement is unique in that generally only current expendable financial resources are accounted for in this group.

General Fund. The General Fund is the general operating fund of the Borough. It is used to account for all financial resources except those required to be accounted for in another fund. Principal revenue sources are property and sales taxes levied on an areawide basis and state shared revenues. Primary expenditures are for general administration, planning and zoning, and animal protection.

Special Revenue Funds. These funds are used to account for revenues derived from specific taxes or other earmarked revenue sources, including state and federal grants and property taxes levied on a non-areawide basis that are legally restricted to expenditures for specified purposes.

Debt Service Funds. The Debt Service Funds are used to account for the payment of principal and interest on the Borough's general obligation bonds.

Capital Projects Funds. These funds are used to account for capital improvements (except for those financed by proprietary funds) which are financed by Borough general obligation bond issues, state and federal grants, and operating transfers in from other funds for service area improvements.

Proprietary Funds

This fund category emulates the private sector in that many activities recorded are operated in a manner similar to a commercial operation. The measurement focus is based on the measurement of net income and allows the reporting of all assets and liabilities associated with the activity.

Enterprise Funds. The Borough is responsible for the operation and maintenance of the Airport and Transit facilities. Both areas are included in this classification. It is the intent of the Borough that the costs (expenses including depreciation) of providing services to the general public be financed or recovered primarily through user charges. The acquisition, maintenance, and improvement of the physical plant facilities required to provide these services are financed from existing cash resources, property taxes, the issuance of general obligation bonds, and state grants.

Fiduciary Funds

This fund category shares similarities with the other two fund types but was created to account for those activities wherein the governmental unit acts as the trustee or agent on behalf of another party.

Agency Funds. The Borough maintains one agency fund, the Deferred Compensation Plan Fund.

The Deferred Compensation Plan Fund is used to account for the activity associated with the withholding and submission of voluntary employee contributions to an Internal Revenue Service Code 457 deferred compensation plan.

Account Groups

Account groups are self-balancing groups of accounts established to provide accountability and control for general fixed assets and unmatured general long-term debt.

Fixed Assets. Because governmental funds report the flow of current financial resources, the fixed assets account group is used to report and account for the assets acquired through those activities. Assets of the enterprise funds are recorded within those funds.

Long-Term Debt. The long-term debt account group is used to account for a government's unmatured long-term indebtedness that has not been identified as a specific fund liability of an enterprise fund

C. Basis of Accounting/Measurement Focus

Basis of accounting refers to the method of recognizing revenues, expenditures, expenses, transfers, and the related assets and liabilities in the accounts and the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the nature of the measurement, on either the cash or the accrual method. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary and fund operating statements present increases (revenues) and decreases (expenses) in net total assets.

Modified Accrual Basis of Accounting. The Borough's governmental funds use the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. "Measurable" means that amounts can be reasonably determined within the current period. "Available" means collectible within the current period or soon enough thereafter (60 days) to be used to pay liabilities of the current period. Major revenues susceptible to accrual include property taxes levied and due in the current year even though a portion of the taxes are collected in the subsequent year. Sales taxes and penalty and interest on delinquent taxes are considered measurable when paid and are recognized as revenue at that time. Intergovernmental revenues received as reimbursement for specific purposes or projects are recognized in the period the expenditures are incurred. Intergovernmental revenue received but not yet earned is recorded as deferred revenue. In subsequent periods, when the Borough has legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

Revenue from land sale contracts receivable are deferred until the receivables are collected.

Expenditures are recorded when the goods and services are received. Exceptions to this general rule include accumulated nonvested sick pay amounts which are not accrued and principal and interest on general long-term debt which is recognized when due.

The Borough's fiduciary funds also use the modified accrual basis of accounting. Since agency funds do not involve measurement of results of operations, they have no measurement focus as such. Assets and liabilities are recognized when they occur, regardless of the related cash flow.

Accrual Basis of Accounting. The proprietary funds use the full accrual basis of accounting in that revenues are recognized when earned and expenses are recognized when the liability is incurred. All assets and all liabilities, whether current or noncurrent, associated with fund activity are included on the balance sheet. Proprietary fund operating statements present increases (revenues) and decreases (expenses) in net total assets. Fixed asset acquisitions by the enterprise funds are capitalized at cost, and depreciation is computed on the straight-line method over the estimated useful life of the asset, ranging from five to forty years.

D. Budgets

Budgets are adopted annually for the General and Special Revenue funds; all encumbered appropriations lapse at fiscal year end. Capital Projects fund budgets are adopted on a project length basis.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. Open encumbrances at year end are treated as reservations of fund balances

since the commitments will be honored in the next year. Borough code allows an additional appropriation to subsequent years' appropriation to the extent of the open encumbrance.

E. Cash and Investments

The Borough utilizes a central treasury to aggregate cash from all funds for cash management and investment purposes. Each fund has an account titled "cash in treasury" which is the cash balance of that particular fund. Each fund whose monies are deposited in the central treasury has equity therein. Interest income on investments is allocated monthly to participating funds based on their ending equity balance.

Borough ordinance authorizes the Borough to invest in obligations of the U. S. Treasury, its agencies and instrumentalities, bankers' acceptances of the fifty largest banks, highest rated commercial paper, repurchase agreements, fully collateralized certificates of deposits, and highest rated bonds and notes issued by a state or political subdivision thereof. Borough ordinance places limitations on maturity of investments, and Borough investment procedures limit the level of investment by type.

Investments are stated at cost except for investments in the Deferred Compensation Fund, which are reported at market value.

For purposes of the statement of cash flows, the Borough has defined cash and cash equivalents as the demand deposits and all investments maintained in the cash central treasury regardless of maturity period, since the various funds use the central treasury essentially as a demand deposit account.

F. Short-term Interfund Receivables/Payables

Certain accounts within funds have made disbursements from the central treasury in excess of their individual equities. Consequently the General Fund has made a short-term loan to these funds. Short-term interfund loans are classified as "due from other funds" on the balance sheet.

G. Inventories

Inventories in the Component Unit are carried at cost on the first-in, first-out method. These inventories consist of expendable supplies, equipment, and foodstuffs held at the central warehouse for issuance to schools or other district locations. The cost of inventory items is included in expenditures when issued for consumption. A portion of fund balance is reserved for inventory to indicate that inventory does not represent available, spendable resources even though it is a component of assets.

Other inventories of materials and supplies are considered immaterial and are recorded as expenditures when purchased.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 1993, are recorded as prepaid items.

I. Fixed Assets

General fixed assets are not capitalized in the funds used to construct or acquire them. Instead, capital acquisition and construction are reflected as expenditures in the governmental funds, and the related assets are reported in the General Fixed Assets Account Group. All purchased fixed assets are valued at historical cost. Donated fixed assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or extend the asset life are not capitalized. Improvements are capitalized and depreciated over the remaining useful life of the related fixed asset, as applicable, using straight line method.

Public domain or infrastructure consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, and lighting systems, are not capitalized since they are immovable and of value only to the Borough. Assets in the General Fixed Assets Account Group are not depreciated. Depreciation of buildings, equipment, and vehicles in the proprietary funds types is computed using the straight-line method.

Interest is capitalized on proprietary fund assets acquired with tax exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. No interest was capitalized in 1993.

J. Compensated Absences

The Borough, School District, and service areas recognize a liability for the net amount of accrued accumulated vacation and vested sick leave. Accumulated vacation may be received in cash, subject to certain restrictions, by the employee at any time. Unused sick leave is vested at 25% for the first five years of employment, an additional 25% is vested through year nine, after 10 years of employment an employee is vested at 100%. Vested sick leave may only be received in cash by the employee upon termination of employment. For this reason, accumulated vacation and vested sick leave are fully funded within the fund type. The obligation of accumulated unpaid vacation and vested sick leave total \$394,602 at June 30, 1993.

The Borough does not accrue a liability for nonvested sick leave, payable only in the event of employee absence due to illness.

K. Long-term Obligations

Long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated in the debt service fund. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the General Long-term Debt Account Group. Long-term debt expected to be financed from proprietary fund operations is accounted for in those funds. Capital lease obligations are recognized in the general long-term debt account group at the net present value of the future minimum lease payments or the market value of the equipment as appropriate. A capital expenditure and other financing source are recognized in the appropriate governmental fund in the year the lease is executed.

L. Fund Equity

Contributed capital is recorded in proprietary funds for those monies received from capital grants or inter-governmental revenues. Reserves for encumbrances, endowments, prepaids and inventories represent those portions of fund equity legally segregated for future use. Designated portions of fund balances for subsequent years' expenditures and working capital represent tentative plans for future use of financial resources.

M. Interfund Transactions

Quasi-external transactions are transactions that would be treated as revenues, expenditures, or expenses if they involved organizations external to the government unit and are accounted for as revenues and expenditures between the participating funds. Transactions that constitute reimbursement to a fund for expenditures initially made from it and that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the fund being reimbursed.

Except for quasi-external transactions and reimbursements, all other interfund activity is reported as operating transfers. Nonrecurring permanent transfers of equity are reported as residual equity transfers.

N. Total Columns-Memorandum Only

Total columns in the combined statements are captioned "Memorandum Only" to indicate that they are to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with GAAP. Such data are not comparable to a consolidation since the basis of accounting differs among the various funds and because interfund transfer eliminations have not been made in the aggregation of this data.

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the government's financial position and operations.

Note 2. Legal Compliance - Budgets

The budgetary data presented in the financial statements is reflective of the following procedure:

The Ketchikan Gateway Borough Board of Education is required by Alaska law to adopt and submit their annual budget to the Ketchikan Gateway Borough Assembly by April 1 of each year for approval by the Assembly of the total amount. Within 30 days after receipt of the School District budget, the Borough Assembly must determine the total amount of funds to be made available from local sources for school purposes and must furnish the Board of Education with a statement of this amount. By May 31 the Assembly must appropriate the local share of funding. Any subsequent increases in the School District budget must be authorized by the Borough Assembly.

The Borough Manager shall prepare and submit to the Assembly, no later than the first regular assembly meeting in May of each year, a proposed annual budget and capital program for the next fiscal year, which shall contain detailed estimates of anticipated revenues and proposed expenditures for the year. The total of such proposed expenditures shall not exceed the total of such anticipated revenues. The Assembly then conducts public hearings to obtain taxpayer comment. The Assembly may add to, subtract from, or change appropriations but may not change the form of the budget. These budgets are legally enacted by passage of an ordinance and mill levies established. Alaska law mandates that tax levies be adopted no later than midnight of June 15 each year. The Borough prepares its budget on a GAAP basis.

Subsequent to the formal budget adoption, the Assembly may, by ordinance, transfer unencumbered balances between funds. The Borough Manager may transfer unencumbered balances within a fund, which is then reported to the Assembly at their next meeting. The legal level of control is at the fund level.

Emergency appropriations to meet public emergencies affecting life, health, welfare, or property may be made by the Assembly by ordinance without notice of public hearing. An Emergency appropriation is effective for 60 days. Other supplemental appropriations may be made only after a 30-day notice of public hearing.

During fiscal year 1993, the Borough Assembly made the following supplemental appropriations in the General and Special Revenue Funds:

- (1) Ordinance No. 877 adopted August 17, 1992, appropriated \$15,000 from the General Fund.
- (2) Ordinance No. 903 adopted April 19, 1993, appropriated \$40,000 from the Forest Park Service Area Fund and \$4,000 from the Gold Nugget Service Area Fund.
- (3) Ordinance No. 912 adopted June 21, 1993, appropriated \$6,000 from the Mountain Point Service Area Fund.

Open encumbrances at fiscal year end are honored in the next year. Borough Code allows an additional appropriation in the subsequent year to the extent of the open encumbrance.

All budgetary data presented in this report has been prepared on the modified accrual basis of accounting for government type funds. Under current budgetary procedures, expenditures and encumbrances for a specific fund must not exceed the appropriation for that fund. In addition, the unexpended and encumbered

balance of appropriation for each fund lapses at the end of each fiscal year.

In the special revenue funds, certain funds are not budgeted. As such, they are not included in the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual. A reconciliation of the entity differences in the excess of revenues and other financing sources over expenditures and other financing uses at June 30, 1993 is as follows:

Excess of (Deficit) Revenues and Other Financing Sources Over Expenditures and Other Financing Uses for all budgeted special revenue funds	\$(735,973)
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Adjustments:

Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses for unbudgeted special revenue funds:

State and Federal Grants	29,805
Special Recreation Fund	(18,314)
Recreation Sales Tax Fund	<u>38,384</u>

Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses for all special revenue funds	<u>\$(686,098)</u>
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Note 3. Cash and Short-Term Investments

The Ketchikan Gateway Borough maintains cash and short-term investment accounts for all funds except the deferred compensation plan, which is handled by an independent trustee institution. Each fund type's cash and short-term investments are shown in the combined balance sheet as cash and temporary investments for governmental fund types and cash and cash equivalents for proprietary fund types and nonexpendable trusts. To provide an indication of the level of credit risk assumed by the Ketchikan Gateway Borough at June 30, 1993, the Borough's deposits and investments are categorized as follows:

Deposits

At year-end, the carrying amount of the Borough's deposits was \$1,319,408 and the bank balance was \$2,007,388. Of the bank balance, \$1,568,133 was covered by federal depository insurance or by collateral held by the Borough's agent in the Borough's name and \$439,255 was uninsured and uncollateralized. The uninsured and uncollateralized deposits are held in accounts controlled by agents of the Department of the Environmental Conservation for construction of sewer and water projects.

The Component Unit deposits was \$534,000 at June 30, 1993, the carrying value was \$307,756. Of the 307,756, \$267,756 is classified in category #1 the remaining short term investments in the amount of \$40,000 is classified as category #2.

Investments

- Category 1 Insured or registered, or securities held by the Ketchikan Gateway Borough or its agent in the Ketchikan Gateway Borough name.
- Category 2 Uninsured and unregistered securities held by the financial institution's trust department or agent in the Ketchikan Gateway Borough name.
- Category 3 Uninsured and unregistered securities held by the pledging financial institution, or by its trust department or agent but not in the Ketchikan Gateway Borough name.

	<u>Carrying Amount</u>	<u>Market Value</u>	<u>Category 1</u>
Repurchase Agreements	\$ 2,750,000	\$ 2,750,000	\$ 2,750,000
U.S. Government Securities	<u>13,979,675</u>	<u>13,979,675</u>	<u>13,979,675</u>
	16,729,675	16,729,675	<u>\$16,729,675</u>
Investment in Deferred Compensation Plans	<u>547,404</u>	<u>547,404</u>	
Total	<u>\$17,277,079</u>	<u>\$17,277,079</u>	

Note 4. Receivables

Receivables at June 30, 1993, consist of the following:

	<u>General</u>	<u>Special Revenue</u>	<u>Enterprise</u>	<u>Total</u>
Taxes	\$ 33,442			\$ 33,442
Interest	352,708			352,708
Accounts Receivables Due From Other Governments	112,304	\$ 77,393	\$179,633	369,330
Due From Other Funds	<u>284,569</u>	<u>194,153</u>	<u>500</u>	<u>194,653</u>
Total Receivables	<u>\$ 783,023</u>	<u>\$271,546</u>	<u>\$180,133</u>	<u>\$1,234,702</u>

Property taxes attach as an enforceable lien on property as of July 1. Taxes are levied on July 1 and payable on September 30. The Borough bills and collects its own property taxes as well as those of the special Revenue Funds and cities within the Borough. The taxes collected on behalf of the Borough cities are recorded as liabilities of the General Fund. The Borough property tax revenues are recognized when levied to the extent that they result in current receivables. The Borough is permitted by State law to levy up to \$3 per \$100 of assessed valuation for general government services other than the payment of principal and interest on long-term debt. State law prohibits taxation that will result in revenues from all sources exceeding \$1,500 per year for each person residing within the municipal boundaries or upon value that, when combined with the value of property otherwise taxable by the Borough, exceeds the product of 225 percent of the average per capita assessed full and true value of property in the state multiplied by the number of residents. The Borough is within these limits.

The Borough also collects its own sales tax as well as that of the cities within the Borough. The Borough-wide sales tax rate is 2% while the city rates vary from 3 to 3.5%. The sales tax collections for Borough cities are recorded as liabilities of the General Fund. In November the voters in the Borough ratified a .5% sales tax for Recreation Sales Tax Fund that became effective January 1, 1993. This fund will be utilized to finance Assembly approved Recreation Capital Projects.

Note 5. Restricted Assets

In accordance with the terms of the Airport Revenue Bond, 1980 bond indenture, certain cash and investments in the Airport Enterprise Fund have been restricted for payment of bond principal and interest. These restricted funds must be maintained at a minimum level of \$50,000 until such time as there is an amount sufficient to pay the principal and interest on all of the bonds outstanding. At June 30, 1993, the

amount restricted for payment of bond principal and interest was \$59,733.

Note 6. Deferred Revenue

Deferred revenue consists of the following:

	<u>Grants</u>	<u>Other</u>	<u>Land Sales</u>	<u>Total</u>
General		\$15,801		\$ 15,801
Special Revenue	138,106		\$257,127	395,233
Capital Projects	<u>\$4,974,610</u>	_____	_____	<u>4,974,610</u>
Total Deferred Revenue	<u>\$5,112,716</u>	<u>\$15,801</u>	<u>\$257,127</u>	<u>\$5,385,644</u>

The amount advanced on State Grants is \$5,112,716 which will be recognized as revenue when the related expenditures are incurred.

Other deferred revenues include prepayment of shared costs by the City of Ketchikan in the amount of \$15,801.

Deferred revenue of \$257,127 in the Land Trust Fund represents the future amount due on land sales contracts.

Note 7. Changes in General Fixed Assets

A summary of changes in general fixed assets is as follows:

	<u>Balance July 1, 1992</u>	<u>Additions</u>	<u>Balance June 30, 1993</u>
Land	\$ 30,865		\$ 30,865
Buildings	786,615	\$825,701	1,612,316
Equipment	1,243,879	170,992	1,414,871
Construction in Progress	_____	<u>140,582</u>	<u>140,582</u>
Total	<u>\$2,061,359</u>	<u>\$1,137,275</u>	<u>\$3,198,634</u>

An investigation has revealed the presence of asbestos in the Ketchikan High School. The Ketchikan Gateway Borough School District is continuing to test and monitor the building. The School District has submitted an asbestos abatement plan to the state government in accordance with federal law. Unasserted claims may exist for former employees and construction workers with respect to asbestos concerns.

An independent feasibility study suggested five alternative approaches to solving the asbestos problem at the Ketchikan High School. One alternative would replace portions of the building at the existing site at a cost of \$37.5 million. It would remodel and refurbish the gymnasium and build new classrooms. Upon further study, the School Board has decided to replace portions of the building in phases at the existing site. The building is recorded at estimated historical cost of \$3.3 million.

The voters of the Ketchikan Gateway Borough approved \$12 million in general obligation bonds for the first phase of this project. The district engaged a project manager and an architectural firm. The Alaska State Legislature appropriated a \$10.8 million grant in FY 1991 for the second phase of this project, \$5.6 million in FY 1992 for the third phase, and \$9.5 million in FY 1993 for the fourth and final phase.

On May 18, 1992, the Borough Assembly repealed their Resolution delegating the construction power to the Ketchikan Gateway Borough School District. Subsequently, the Ketchikan Gateway Borough Assembly has assumed all responsibility and authority for the Ketchikan High School construction project. On July 8, 1992, (in FY 1993), the Ketchikan Gateway Borough School District Board of Education authorized that the

construction and design agreements be transferred to the Ketchikan Gateway Borough. On July 8, 1992, the assets and liabilities of the Ketchikan High School remodel project were transferred to the Ketchikan Gateway Borough.

On April 21, 1993, the Ketchikan Gateway Borough awarded a bid to a contractor to construct a portion of Phase II of the Ketchikan High School remodel project in the amount of \$1,821,677. Subsequent to year end on July 14, 1993 the Ketchikan Gateway Borough awarded a bid to a contractor to construct Phase III of the Ketchikan High School remodel project in the amount of \$11,604,900.

Construction in progress on Ketchikan High School was \$17,672,742 as of June 30, 1993.

The following is a summary of the changes in property, plant, and equipment for the Enterprise Funds during fiscal year 1993:

	<u>Balance July 1, 1992</u>	<u>Net Change Current Year</u>	<u>Balance June 30, 1993</u>
Field	\$3,182,072	\$ 1,429	\$3,183,501
Terminal	3,065,323	760,373	3,825,696
Ferry	1,555,091		1,555,091
Administration		850	850
Construction In Progress	611,502	(611,502)	
Buses	147,479		147,479
Recreation		<u>5,374</u>	<u>5,374</u>
	8,561,467	156,524	8,717,991
Accumulated Depreciation	<u>(3,446,837)</u>	<u>(344,337)</u>	<u>(3,791,174)</u>
Net Property, Plant, and Equipment	<u>\$5,114,630</u>	<u>\$(187,813)</u>	<u>\$4,926,817</u>

Depreciation is recorded for fixed assets in the Enterprise funds. Estimated useful lives by major class of depreciable fixed assets is as follows:

Airport Field Facilities	15-30 years
Vehicle and Moving Equipment	6-10 years
Airport Terminal Building	40 years
Equipment	6-10 years
Ferry Slip	40 years
Ferries	20 years

Note 8. Long-Term Debt

The Ketchikan Gateway Borough has issued general obligation bonds for acquisition and construction of schools and airports. School bonds are reported in the General Long-Term Debt Account Group while the Airport Enterprise Fund debt is included in the proprietary fund statements since it must be repaid from proprietary revenues. The general obligation school and airport bonds pledge the full faith and credit of the Borough.

A summary of changes in General Long-term debt is as follows:

	<u>July 1, 1992</u>	<u>Retired</u>	<u>June 30, 1993</u>
Areawide General Obligation Bonds	\$16,194,000	\$3,810,000	\$12,384,000
Enterprise Fund General Obligation Bonds	815,000	195,000	620,000
Revenue Bonds	<u>275,000</u>	<u>25,000</u>	<u>250,000</u>
	<u>\$17,284,000</u>	<u>\$4,030,000</u>	<u>\$13,254,000</u>

Bonds payable at June 30, 1993 consist of the following individual issues:

General Obligation Bonds:

1958 Alaska Public Works Bonds due through 1978 at 2% interest	\$ 529,000
1974 School Refunding due through 1995 at 5-8% interest	995,000
1983 School Bonds due through 1994 at 5-8% interest	2,460,000
1989 School Bonds due through 2000 at 6-6.7% interest	<u>8,400,000</u>
	13,004,000

Revenue Bonds:

1980 Airport due through 2000 at 8% interest	<u>250,000</u>
	<u>\$13,254,000</u>

The annual requirements to amortize all bonds outstanding as of June 30, 1993, including interest of \$2,593,362 for general obligations and \$88,400 for revenue bonds, are as follows:

<u>Year Ending June 30</u>	<u>General Obligation Bonds</u>	<u>Revenue</u>
1994	5,035,374	45,000
1995	2,278,888	48,000
1996	1,977,350	45,600
1997	1,696,750	48,200
1998	1,439,400	50,400
1999	1,360,200	47,200
2000	<u>1,280,400</u>	<u>54,000</u>
Total	<u>\$ 15,068,362</u>	<u>\$ 338,400</u>

The amount of \$59,733 is available in the Airport Enterprise Revenue Redemption and Reserve Fund to service revenue bonds.

Note 9. Interfund Transfers

Interfund operating transfers have been made in accordance with appropriating ordinances.

Funds are transferred from one fund to support expenditures of other funds in accordance with the authority established for the individual fund.

Transfers between funds for the year ended June 30, 1993, were as follows:

	<u>Transfers Out</u>	<u>Transfers In</u>
General Fund	\$ 7,071,297	\$ 453,904
Special Revenue	5,512,082	
Enterprise Funds	15,000	723,304
Debt Service		4,923,178
Capital Projects		150,000
Component Units	<u> </u>	<u>6,347,992</u>
Total	<u>\$12,598,378</u>	<u>\$12,598,378</u>

Note 10. Negative Undesignated Fund Equity

Negative undesignated fund equity is the result of inflows from external sources not materializing at the end of the current fiscal year.

Enterprise Fund

Transit Enterprise Fund	\$18,202
Recreation Enterprise Fund	<u>37,038</u>
Total Negative Undesignated Retained Earnings	<u>\$55,240</u>

Note 11. Excess of Expenditures Over Appropriations

The following individual funds had expenditures in excess of appropriations:

<u>Fund</u>	<u>Appropriation</u>	<u>Actual Expenditures</u>
Special Revenue Funds:		
Mountain Point Service Area	\$ 41,950	\$ 44,613
Shoreline Service Area Fund	38,850	44,087
Land Trust Fund	492,000	500,812

The expenditures in excess of appropriation resulted from expenditures in excess of expected amounts.

Note 12. Commitments and Contingencies

A. Loss Contingencies

The Ketchikan Gateway Borough, in the normal course of its activities, is involved in various claims and pending litigations. It is the opinion of management and the Borough's legal staff, the disposition of these matters is not expected to have a material adverse effect on the Borough's financial position.

B. Capital Projects

At June 30, 1993, the Ketchikan Gateway Borough is committed for the completion of various projects in the amount of \$16,733,783 accounted for in the Capital Projects Funds.

Ketchikan High School Reconstruction	\$12,576,616
Mountain Point Sewer and Water	3,440,167
Ketchikan High School Pool Remodel	<u>717,000</u>
Total	<u>\$16,773,783</u>

C. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by the grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, would become a liability of the appropriate fund.

D. Risk of Loss

The Borough is subject to the risk of loss on property and equipment owned. The Borough has purchased insurance through commercial carriers to cover their risk of loss.

Note 13. Deferred Compensation Plan

The Borough and the School District offer their employees deferred compensation plans created in accordance with Internal Revenue Code, Section 457. The plans, available to all employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the Borough and School District (without being restricted to the provisions of benefits under the plan), subject only to the claims of the Borough's and District's general creditors. Participants' rights under the plans are equal to those of general creditors in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of legal counsel that the Borough has no liability for losses under the plans but does have the duty of due care that would be required of an ordinary prudent investor. It is unlikely that the Borough will use the assets to satisfy the claims of general creditors in the future.

Note 14. Pension Plans

Substantially all of the employees of the Ketchikan Gateway Borough (Borough) participate in the State of Alaska Public Employees' Retirement System (PERS), Masters, Mates & Pilots (MMP) Plan or International Brotherhood of Electrical Workers (IBEW) Plan.

THE PERS PLAN

The PERS is a defined benefit, agent multiple-employer public employee retirement system. The PERS was established by State of Alaska Statutes January 1, 1961 and includes employees of the State and its political subdivisions. Benefit provisions are modified from time to time through legislative action at the State level. Borough and School District employees contribute 6.75% of their annual pre-tax income, except emergency personnel, who contribute 7.5%. The Borough pays an amount that is actuarially determined on an annual basis. For fiscal year ended June 30, 1992, the contribution rate for the Borough was 7.81% of covered payroll. The Borough's total payroll was \$3,182,489, and the covered payroll was \$2,366,439.

Employees hired prior to July 1, 1986, with five or more years of credited service, are entitled to annual pension benefits beginning at normal retirement at 55 or early retirement at 50. For employees hired after June 30, 1986, the normal and early retirement ages are 60 and 55, respectively. The normal annual pension benefit for each year of service is equal to 2% of the member's highest three-year average monthly compensation for the first ten years of service, 2-1/4% for the second ten years of service, and 2-1/2% after that. All services earned prior to July 1, 1986, will be calculated using the 2% multiplier. Employees with 30 or more years of credited service (20 years for emergency personnel) may retire at any age and receive a normal benefit.

Major medical benefits are provided without cost to all retirees first hired before July 1, 1986. Members first hired after June 30, 1986, may elect major medical benefits.

If an employee dies from occupational causes, the employee's spouse or dependent children receive a monthly pension from the PERS. Nonoccupational death benefits are paid based on years of service and would consist of either a lump sum benefit or a joint and survivor option. Active employees who become permanently disabled due to an occupational injury receive disability payments until normal retirement age, at which time they begin receiving normal retirement benefits. Credited service is adjusted to include the time that the employee was disabled.

FUNDING STATUS AND PROGRESS

The amount shown below as "pension benefit obligation," which is the actuarial present value of credited projected benefits, is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. This measure is intended to help users assess the Plan's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among plans. The measure is independent of the actuarial funding method used to determine contributions to the Plan. PERS does not own any bonds or other debt instruments of any kind of the Borough.

The pension benefits obligation is determined by William M. Mercer, Incorporated and is that amount that results from applying actuarial assumptions to adjust the accumulated benefits to reflect the time value of money (through discounts for interest and the probability of payment by means of decrements such as of death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the valuations as of June 30, 1992 are as follows:

1. Actuarial cost method - projected unit credit, unfunded accrued benefit liability amortized over twenty-five years, funding surplus amortized over five years.
2. Mortality basis - 1984 Unisex Pension Mortality Table set forward one year for male and police/fire members, and set backward four years for females.
3. Retirement age - retirement rates based on actual experience.
4. Discount rate - 8.75% per annum, compounded annually, net of investment expenses.
5. Salary increases are 6.5% per year for the first five years and 5.5% per year thereafter.
6. Health cost inflation is 11.5% per year for 1993.
7. Cost of living allowance (domicile in Alaska) - 71% of those receiving benefits will be eligible to receive the cost of living allowance.
8. Contribution refunds - 100% of those employees terminating after age thirty-five with five or more years of service will leave their contributions in the fund and thereby retain their deferred vested benefit. All other who terminate are assumed to have their contributions refunded.

9. Asset valuation - five year average ratio of actuarial and book values of the Plan assets. The actuarial value of the assets equals the market value of the Plans assets, except that fixed income investments are carried at book values.

Turnover and disability assumptions are based upon actual historical occurrence rates of the Plan. The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated benefits.

The unfunded pension benefit obligation of PERS as calculated at June 30, 1992, which is the most recent actuarial valuation, is as follows (in thousands):

	<u>PERS</u>
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$2,209
Current employees:	
Accumulated employee contributions including allocated investment earnings	811
Employer-financed vested	2,793
Employer-financed nonvested	<u>387</u>
Total pension benefit obligation	6,200
Net assets available for benefits, valuation based upon the market, except that fixed income investments are valued at book value	<u>5,974</u>
Unfunded pension benefit obligation	<u>\$ 226</u>

Actuarially Determined Contribution Requirements and Contribution

The funding policies for PERS provide for actuarially determined periodic contribution rates that change over time to assure sufficient assets are accumulated to meet the obligations of the plans. The actuarial funding method used by PERS is the projected unit credit method. Significant actuarial assumptions used to calculate the pension benefit obligations are identical to those used for funding purposes. There were no changes in the PERS actuarial method or in the assumptions for the previous valuation.

Covered employees are required by State statute to contribute 6.75% or 7.5% of their salary to the plan. The employer is required to contribute whatever additional amount is needed to pay future PERS benefits in accordance with the actuarial valuation. The contribution requirement for 1993 was \$347,274, which consisted of \$184,819, (7.81% of current covered payroll of \$2,366,499), for the employer and 162,455 for the employee. Of the employers portion \$303,622 (12.83%) covered the normal cost and the Borough had a credit of \$118,798 (5.02%) to cover the amount of past service cost.

Three-Year Trend Information

The following table present trend information for the PERS. Data concerning the pension benefit obligation was taken from the most recent PERS actuarial report. In each case the actuarial report was dated June 30 of the year preceding the fiscal year of the column heading.

	<u>1992</u>	<u>1991</u>	<u>1990</u>
Net assets available as a percentage of PBO	96.0	93.6	96.5
Unfunded PBO as a percentage of covered payroll	9.5	14.9	6.9
Employer contribution as a % of covered payroll made in accordance with actuarial determined requirement	7.8	12.8	10.5

Additional trend information is available for the PERS system taken as a whole in the State of Alaska Public Employees' actuarial valuation reports as of June 30, 1992 (latest available). The information contained therein provides information about progress made in accumulating sufficient assets to pay benefits when due.

Showing unfunded pension benefit obligation of annual covered payroll approximately adjusts for the effects of inflation for analysis purposes.

THE MMP PLAN

The Masters, Mates and Pilots plan is a defined contribution plan and is funded entirely by employer contributions which are a fixed amount per employee, paid bimonthly. The Borough exercises no fiduciary responsibility over the MMP plan. Members of this plan include the ferryboat workers employed in positions covered by the Ketchikan Airport enterprise fund. Participants are eligible to participate immediately upon employment and are fully vested after ten years of service.

Contributions made to the plan during the year totaled \$12,330 or \$685 per employee per bimonthly payroll. This represents 9.2% of total covered payroll of \$133,563 and .4% of total payroll of \$3,182,489 respectively.

IBEW

The International Brotherhood of Electrical Workers plan is funded entirely by employer contributions based upon hourly rates. The Borough exercises no fiduciary responsibility over the IBEW. Members of this defined benefit pension plan are eligible to participate immediately upon employment and are fully vested after ten years of service.

Contributions for members who were employed in Borough positions were \$2.25 per non-premium hour worked. The payroll for covered employees totalled \$249,785. The Borough contributed \$43,455 for covered employees. This represents 17.4% of covered payroll and 1.37% of total payroll of \$3,182,489, respectively.

Note 15. Segment Information - Enterprise Funds

Ketchikan Gateway Borough maintains three enterprise funds which are intended to be self-supporting through user fees charged for services and use of the facilities. Financial segment information as of and for the year ended June 30, 1993 is presented below.

	<u>Ketchikan Airport</u>	<u>Transit</u>	<u>Recreation</u>	<u>Total</u>
Operating Revenues	\$2,088,491	\$119,191	\$247,152	\$2,481,834
Operating Grants, Entitlement and Shared Revenues	156,861	2,106		158,967
Depreciation Expense	327,093	17,041	202	344,336
Operating Income (Loss)	(109,926)	(117,984)	(474,763)	(693,673)
Operating Transfers In	143,304	95,000	485,000	723,304
Operating Transfers (Out)		(15,000)		(15,000)
Net Income (Loss)	145,006	(35,878)	10,237	119,365
Property, Plant and Equipment Additions	151,150		5,374	156,524
Net Working Capital	(9,206)	(67,660)	(42,210)	(119,076)
Total Assets	5,318,526	54,331	5,710	5,378,567
Bonds and Other Long-term Liabilities	870,000			870,000
Total Equity	4,213,003	(13,491)	(37,038)	4,162,474
Contributed Capital	3,071,043	36,845		3,107,888
(Accumulated Amortization)	(1,796,950)	(32,184)		(1,829,084)

The Airport Fund is responsible for the operation and maintenance of the airport facilities and ferry system. The Transit fund is responsible for the operation and maintenance of the Borough's bus system. Recreation is responsible for the operations of the community swimming pools, latchkey, and recreation programs.

Note 16. Leases

The Ketchikan Gateway Borough has entered into an agreement with the State of Alaska, Department of Transportation, for the operation of the Ketchikan International Airport. This is a long term arrangement. Major repairs and improvements are provided through legislative funding. During the normal course of business the Borough has entered into subleases for portions of the terminal building and facilities. Leases are established for five years with options for renewal being negotiated during the final year of the lease for the terminal building. Other facilities are negotiated for periods from three to fifty years.

Listed below are the expected annual revenues from current executed leases:

<u>Year</u>	<u>Terminal Space</u>	<u>Other</u>
1994	434,074	28,824
1995	434,074	28,824
1996	434,074	9,435
1997	400,553	8,535
1998	141,546	7,635

Note 17. Component Unit

In conformity with generally accepted accounting principles, GASB-14, The Financial Reporting Unit, the Ketchikan Gateway Borough School District financial statements have been included in the financial reporting entity as discretely presented component units. The component unit columns in the combined financial statements include the financial data of the Borough's component unit. This unit is reported in a separate column to emphasize it is legally separate from the Borough.

The members of the governing board of the Ketchikan Gateway School District are elected by voters of the Borough; however, the School District is fiscally dependent on the Borough because the School District's operational and capital budgets are approved by the Borough Assembly. In addition the School District is prohibited from issuing bonded debt without the approval of the Borough Assembly.

Note 18. Subsequent Events

On July 23, 1993 the Borough received an unfavorable ruling from the Supreme Court in the collection of Sales taxes for Pull Tab operators. The liability has been recognized in the financial reports for 1993 fiscal year in accordance with FASB-5.

Note 19. Interfund Receivables/Payables

The balances due to and from the various funds are as follows at June 30, 1993:

	<u>Due From</u>	<u>Due To</u>
General Fund	\$284,569	\$549,415
State and Federal Grants		156,445
Transit Enterprise Fund		43,758
Recreation Enterprise Fund		8,447
Day Care Service Fund		75,919
Component Unit	<u>549,415</u>	<u> </u>
Totals	<u>\$833,984</u>	<u>\$833,984</u>

GENERAL FUND STATEMENTS

The General Fund is the operating fund of the Borough. It is used to account for all financial resources except those required to be accounted for in separate funds.

The following statements are included in this section:

Balance Sheet

Statement of Revenues, Expenditures and Changes in Fund Balance (Budget and Actual)

KETCHIKAN GATEWAY BOROUGH

GENERAL FUND

COMPARATIVE BALANCE SHEETS

June 30, 1993 and 1992

	<u>1993</u>	<u>1992</u>
Cash & Temporary Investments	\$ 734,302	\$ 2,018,357
Accounts Receivable	112,304	202,371
Due From Other Funds	284,569	
Prepaid Expenses	6,413	2,715
Property Taxes Receivable	33,442	8,866
Accrued Interest Receivable	<u>352,708</u>	<u>33,272</u>
 Total Assets	 <u>\$ 1,523,738</u>	 <u>\$ 2,265,581</u>
 LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts Payable	\$ 84,310	\$ 73,712
Due to Other Governments	103,976	107,988
Due to Other Funds	549,415	1,788,471
Accrued Liabilities	365,253	169,707
Deferred Revenue	<u>15,801</u>	<u>7,503</u>
 TOTAL LIABILITIES	 <u>1,118,755</u>	 <u>2,147,381</u>
 Fund Balance		
Reserved for Prepaid Insurance	6,413	2,715
Reserved for Encumbrances		19,408
Unreserved	<u>398,570</u>	<u>96,077</u>
 TOTAL FUND BALANCE	 <u>404,983</u>	 <u>118,200</u>
 Total Liabilities & Fund Balance	 <u>\$ 1,523,738</u>	 <u>\$ 2,265,581</u>

KETCHIKAN GATEWAY BOROUGH

GENERAL FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE --
BUDGET AND ACTUAL

For the Fiscal Years Ended June 30, 1993 and 1992

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended 6-30-92 Actual
REVENUES				
Taxes				
Real & Personal Property Taxes	\$ 6,386,389	\$ 6,272,926	\$ (113,463)	\$ 4,845,695
Automobile & Boat Taxes	173,000	149,721	(23,279)	176,651
Sales Taxes	3,238,500	2,865,742	(372,758)	2,726,570
Penalty & Interest	108,000	115,881	7,881	81,829
Total Taxes	9,905,889	9,404,270	(501,619)	7,830,745
Alaska State Housing Authority	15,000	24,448	9,448	20,149
Licenses and Permits				
Zoning Fees	18,000	14,348	(3,652)	15,546
Revenues from Other Governments				
State Municipal Assistance	336,171	336,030	(141)	366,822
State Revenue Sharing	264,125	258,050	(6,075)	222,369
State License Refunds	250,744	243,465	(7,279)	324,126
State Day Care Assistance	50,000	70,249	20,249	
Federal Revenue - PILT	74,664	74,664		208,613
Timber Stumpage	55,000	146,123	91,123	412,334
Total Revenues	1,030,704	1,128,581	97,877	1,534,264
Charges for Services				
Animal Control	25,000	27,150	2,150	22,510
City of Ketchikan				2,782
Parks and Recreation	17,000	17,158	158	15,694
Other Charges	122,450	163,295	40,845	50,613
Total Charges	164,450	207,603	43,153	91,599
Other Revenues				
Interest Income	250,000	416,027	166,027	220,516
Transfers from Other Funds				
Day Care Fund				45,413
Land Trust Fund	410,000	410,000		588,643
Transit Fund	15,000	15,000		15,000
Service Area Funds	19,350	16,950	(2,400)	16,950
Permanent Fund	11,954	11,954		800
Total Transfers	456,304	453,904	(2,400)	666,806
Total Revenues	\$ 11,840,347	\$ 11,649,181	\$ (191,166)	\$ 10,379,625

KETCHIKAN GATEWAY BOROUGH

GENERAL FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

For the Fiscal Years Ended June 30, 1993 and 1992

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended 6-30-92 Actual
EXPENDITURES				
Administration				
Mayor & Assembly	\$ 133,111	\$ 153,332	\$ (20,221)	\$ 96,856
Law	183,023	180,464	2,559	191,060
Clerk	161,097	165,591	(4,494)	169,394
Manager	377,131	369,526	7,605	444,954
Finance - Accounting	258,574	248,363	10,211	245,912
Finance - Revenue	338,588	314,299	24,289	321,820
Finance - Assessing	381,203	352,522	28,681	375,424
Total Administration	1,832,727	1,784,097	48,630	1,845,420
Animal Control	255,357	258,562	(3,205)	240,263
Public Services	1,424,092	1,226,708	197,384	1,273,620
Community Education	591,235	595,735	(4,500)	608,548
Non Departmental	254,855	180,520	74,335	128,700
Capital Projects	195,350	72,238	123,112	226,677
Total Expenditures	4,553,616	4,117,860	435,756	4,323,228
Excess (Deficit) of Revenues over Expenditures	7,286,731	7,531,321	244,590	6,056,397
Other Financing Sources (Uses)				
Transfers to School Dist	(6,347,993)	(6,347,993)		(6,093,861)
Transfers to Recreation Fund	(485,000)	(485,000)		(320,000)
Transfers to Transit Fund	(95,000)	(95,000)		(75,000)
Transfers to Airport Fund	(330,000)	(143,304)	186,696	(785,643)
Unusual Sales Tax Refund		(173,241)	(173,241)	
Total Other Financing	(7,257,993)	(7,244,538)	13,455	(7,274,504)
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	28,738	286,783	258,045	(1,218,107)
Fund Balance Beginning of Year	118,200	118,200		1,336,307
Fund Balance End of Year	\$ 146,938	\$ 404,983	\$ 258,045	\$ 118,200

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SPECIAL REVENUE FUND STATEMENTS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditure for specific purposes. This does not include debt service resources, expendable trusts or major capital projects.

The following statements are included in this section:

Combining Statements - All Special Revenue Funds:
Balance Sheets
Statement of Revenues, Expenditures & Changes in Fund Balances

Individual Statements of Revenues, Expenditures & Changes in Fund Balances
Budget and Actual for each Special Revenue Fund for which a Budget is developed

The following individual funds are included in this section:

Day Care Service Fund
Land Trust Fund
Mud Bight Service Area Fund
Shoreline Service Area Fund
Mountain Point Service Area Fund
South End Fire District Fund
Waterfall Service Area Fund
South Tongass Service Area Fund
Forest Park Service Area Fund
Gold Nugget Service Area Fund
Non Areawide Fund
State and Federal Grants Fund
School Bond/Capital Improvements Fund
Permanent Fund
Special Recreation Fund
Recreation Sales Tax Fund

KETCHIKAN GATEWAY BOROUGH
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

June 30, 1993

	Day Care Service Fund	Land Trust Fund	Mud Blight Service Area Fund	Shoreline Service Area Fund	Mountain Point Service Area Fund	South End Fire District Fund	Waterfall Service Area Fund	So Tongass Service Area Fund
ASSETS								
Cash & Temporary Investments		\$ 4,954,255	\$ 27,423	\$ 47,752	\$ 93,661	\$ 104,142	\$ 59,012	\$ 7,311
Prepaid Insurance								
Due from Other Governments	\$ 120,801							
Accounts Receivable - General		256,894						
Deferred Accounts Receivable								
Total Assets	\$ 120,801	\$ 5,211,149	\$ 27,423	\$ 47,752	\$ 93,661	\$ 104,142	\$ 59,012	\$ 7,311
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts Payable	\$ 44,862	\$ 18,796		\$ 3,407	\$ 1,005	\$ 3,340		
Deferred Revenue		257,127						
Due to Other Funds	75,919							
Total Liabilities	120,801	275,923		3,407	1,005	3,340		
Fund Balances								
Reserved for Encumbrances								
Reserved for Inventory								
Designated for Pupil Activities								
Unreserved Fund Balance		4,935,226	\$ 27,423	44,345	92,656	100,802	\$ 59,012	\$ 7,311
Total Fund Balance		4,935,226	27,423	44,345	92,656	100,802	59,012	7,311
Total Liabilities and Fund Balances	\$ 120,801	\$ 5,211,149	\$ 27,423	\$ 47,752	\$ 93,661	\$ 104,142	\$ 59,012	\$ 7,311

KETCHIKAN GATEWAY BOROUGH
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

June 30, 1993

	Forest Park Service Area Fund	Gold Nugget Service Area Fund	Non Areawide Fund	State & Federal Grants Fund	School Bond/ Capital Improvements Fund	Permanent Fund	Special Recreation Fund	Recreation Sales Tax Fund	Total
ASSETS									
Cash & Temporary Investments	\$ 285,404	\$ 12,674	\$ 311,039	\$ 561,878	\$ 76,842	\$ 259,352	\$ 48,092	\$ 38,384	\$ 6,887,221
Prepaid Insurance				73,352					194,153
Due from Other Governments				77,393					77,393
Accounts Receivable -- General									256,894
Deferred Accounts Receivable									
Total Assets	<u>\$ 285,404</u>	<u>\$ 12,674</u>	<u>\$ 311,039</u>	<u>\$ 712,623</u>	<u>\$ 76,842</u>	<u>\$ 259,352</u>	<u>\$ 48,092</u>	<u>\$ 38,384</u>	<u>\$ 7,415,661</u>
LIABILITIES AND FUND BALANCES									
Liabilities									
Accounts Payable	\$ 2,373		\$ 246,840	\$ 315,170	\$ 500				\$ 636,313
Deferred Revenue				138,106					395,233
Due to Other Funds				156,445					232,364
Total Liabilities	<u>2,373</u>		<u>246,840</u>	<u>609,721</u>	<u>500</u>				<u>1,263,910</u>
Fund Balances									
Reserved for Encumbrances									
Reserved for Inventory									
Designated for Pupil Activities									
Unreserved Fund Balance	283,031	\$ 12,674	\$ 64,199	102,902	76,342	\$ 259,352	\$ 48,092	\$ 38,384	6,151,751
Total Fund Balance	<u>283,031</u>	<u>12,674</u>	<u>64,199</u>	<u>102,902</u>	<u>76,342</u>	<u>259,352</u>	<u>48,092</u>	<u>38,384</u>	<u>6,151,751</u>
Total Liabilities and Fund Balances	<u>\$ 285,404</u>	<u>\$ 12,674</u>	<u>\$ 311,039</u>	<u>\$ 712,623</u>	<u>\$ 76,842</u>	<u>\$ 259,352</u>	<u>\$ 48,092</u>	<u>\$ 38,384</u>	<u>\$ 7,415,661</u>

KETCHIKAN GATEWAY BOROUGH

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Fiscal Year Ended June 30, 1993

	Day Care Service Fund	Land Trust Fund	Mud Bight Service Area Fund	Shoreline Service Area Fund	Mountain Point Service Area Fund	South End Fire District Fund	Waterfall Service Area Fund	So Tongass Service Area Fund
REVENUES								
Taxes	\$ 450,400		\$ 5,178	\$ 43,002		\$ 77,067		
State Revenues			222	424		727	\$ 920	
Charges for Services		\$ 386,576	1,276	2,557	\$ 30,960	7,948	9,588	
Interest and Miscellaneous					4,471		2,769	\$ 343
Total Revenues	458,480	386,576	6,676	46,863	35,431	86,842	13,277	343
EXPENDITURES								
Public Services	458,480	90,842	41,089	41,089	40,013	71,864	1,354	
Capital Outlay								
Total Expenditures	458,480	90,842			40,013	71,864	1,354	
Excess (Deficit) of Revenues over Expenditures		295,734	6,676	5,774	(4,582)	14,778	11,923	343
Other Financing Sources (Uses)								
Operating Transfers Out		(410,000)	(785)	(3,000)	(4,600)	(3,000)	(965)	
Total Other Financing		(410,000)	(785)	(3,000)	(4,600)	(3,000)	(965)	
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses		(114,266)	5,891	2,774	(9,182)	11,778	10,958	343
Fund Balance, Beginning of Year		5,049,492	21,532	41,571	101,838	89,024	48,054	6,968
Fund Balance, End of Year		\$ 4,935,226	\$ 27,423	\$ 44,345	\$ 92,656	\$ 100,802	\$ 59,012	\$ 7,311

KETCHIKAN GATEWAY BOROUGH
SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Fiscal Year Ended June 30, 1983

	Forest Park Service Area Fund	Gold Nugget Service Area Fund	Non Areawide Fund	State & Federal Grants Fund	School Bond/ Capital Improvements Fund	Permanent Fund	Special Recreation Fund	Recreation Sales Tax Fund	Total
REVENUES									
Taxes	\$ 61,064	\$ 476	\$ 219,869	\$ 2,432,659	\$ 4,288,500			\$ 178,707	\$ 586,667
State Revenues	2,084	8,556	6,709						7,191,201
Charges for Services	225	589	14,488	25,253	46,057	\$ 12,240		9,877	49,329
Interest and Miscellaneous	14,026								528,270
Total Revenues	<u>77,399</u>	<u>9,821</u>	<u>241,066</u>	<u>2,457,912</u>	<u>4,334,557</u>	<u>12,240</u>		<u>188,384</u>	<u>8,355,467</u>
EXPENDITURES									
Public Services	125,173	4,570	246,839	2,428,107	2,838		18,314		3,511,169
Capital Outlay									18,314
Total Expenditures	<u>125,173</u>	<u>4,570</u>	<u>246,839</u>	<u>2,428,107</u>	<u>2,838</u>		<u>18,314</u>		<u>3,529,483</u>
Excess (Deficit) of Revenues over Expenditures	<u>(47,774)</u>	<u>5,051</u>	<u>(5,773)</u>	<u>20,805</u>	<u>4,331,719</u>	<u>12,240</u>	<u>(18,314)</u>	<u>188,384</u>	<u>4,825,084</u>
Other Financing Sources (Uses)									
Operating Transfers Out	(3,600)	(1,000)			(4,923,178)	(11,954)		(150,000)	(5,512,082)
Total Other Financing	<u>(3,600)</u>	<u>(1,000)</u>			<u>(4,923,178)</u>	<u>(11,954)</u>		<u>(150,000)</u>	<u>(5,512,082)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	<u>(51,374)</u>	<u>4,051</u>	<u>(5,773)</u>	<u>29,805</u>	<u>(501,459)</u>	<u>286</u>	<u>(18,314)</u>	<u>38,384</u>	<u>(686,098)</u>
Fund Balance, Beginning of Year	334,405	8,623	69,972	73,097	667,801	259,066	66,406		6,837,849
Fund Balance, End of Year	<u>\$ 283,031</u>	<u>\$ 12,674</u>	<u>\$ 64,199</u>	<u>\$ 102,902</u>	<u>\$ 76,342</u>	<u>\$ 259,352</u>	<u>\$ 48,092</u>	<u>\$ 38,384</u>	<u>\$ 6,151,751</u>

(cont.)

KETCHIKAN GATEWAY BOROUGH

DAY CARE SERVICE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Year Ended June 30, 1993
 (With Comparative Totals for the Year Ended June 30, 1992)

	<u>1993</u>	<u>1992</u>
REVENUES:		
State Sources	\$ 458,480	\$ 453,265
Other Revenues		
	<u> </u>	<u> </u>
Total Revenues	<u>458,480</u>	<u>453,265</u>
EXPENDITURES:		
Public Services	<u>458,480</u>	<u>407,852</u>
Total Expenditures	<u>458,480</u>	<u>407,852</u>
Excess (Deficit) of Revenues over Expenditures		45,413
Other Financing Sources (Uses) Operating Transfers Out	<u> </u>	<u>(45,413)</u>
Fund Balance, Beginning of Year	<u> </u>	<u> </u>
Fund Balance, End of Year	<u>\$ 0</u>	<u>\$ 0</u>

KETCHIKAN GATEWAY BOROUGH

LAND TRUST FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Year Ended June 30, 1993
 (With Comparative Totals for the Year Ended June 30, 1992)

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended June 30, 1992 Actual
REVENUES:				
Interest Income	\$ 275,000	\$ 264,646	\$ (10,354)	297,178
Other Revenue		28,548	28,548	
Sale of Land	115,000	93,382	(21,618)	132,879
Total Revenues	<u>390,000</u>	<u>386,576</u>	<u>(3,424)</u>	<u>430,057</u>
EXPENDITURES:				
Public Services	82,000	90,842	(8,842)	140,573
Total Expenditures	<u>82,000</u>	<u>90,842</u>	<u>(8,842)</u>	<u>140,573</u>
Excess (Deficit) of Revenues over Expenditures	308,000	295,734	(12,266)	289,484
Other Financing Sources (Uses)				
Operating Transfers Out	<u>(410,000)</u>	<u>(410,000)</u>		<u>(588,643)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(102,000)	(114,266)	(12,266)	(299,159)
Fund Balance, Beginning of Year	<u>5,049,492</u>	<u>5,049,492</u>		<u>5,348,651</u>
Fund Balance, End of Year	<u>\$ 4,947,492</u>	<u>\$ 4,935,226</u>	<u>\$ (12,266)</u>	<u>\$ 5,049,492</u>

KETCHIKAN GATEWAY BOROUGH

MUD BIGHT SERVICE AREA FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Year Ended June 30, 1993
 (With Comparative Totals for the Year Ended June 30, 1992)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Year Ended June 30, 1992 Actual</u>
REVENUES:				
Real and Personal Taxes	\$ 4,821	\$ 5,178	\$ 357	\$ 4,410
State Revenues	21	222	201	59
Interest Income	<u>200</u>	<u>1,276</u>	<u>1,076</u>	<u>997</u>
Total Revenues	<u>5,042</u>	<u>6,676</u>	<u>1,634</u>	<u>5,466</u>
EXPENDITURES:				
Public Services	<u>20,000</u>	<u> </u>	<u>20,000</u>	<u> </u>
Total Expenditures	<u>20,000</u>	<u> </u>	<u>20,000</u>	<u> </u>
Excess (Deficit) of Revenues over Expenditures	(14,958)	6,676	21,634	5,466
Other Financing Sources (Uses)				
Operating Transfers Out	<u>(785)</u>	<u>(785)</u>	<u> </u>	<u>(785)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(15,743)	5,891	21,634	4,681
Fund Balance, Beginning of Year	<u>21,532</u>	<u>21,532</u>	<u> </u>	<u>16,851</u>
Fund Balance, End of Year	<u>\$ 5,789</u>	<u>\$ 27,423</u>	<u>\$ 21,634</u>	<u>\$ 21,532</u>

KETCHIKAN GATEWAY BOROUGH

SHORELINE SERVICE AREA FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Year Ended June 30, 1993
 With Comparative Totals for the Year Ended June 30, 1992)

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended June 30, 1992 Actual
REVENUES:				
Real and Personal Taxes	\$ 43,338	\$ 43,371	\$ 33	\$ 45,351
Automobile and Boat Taxes	730	511	(219)	773
State Revenues	631	424	(207)	302
Interest Income	3,065	2,557	(508)	4,267
Total Revenues	<u>47,764</u>	<u>46,863</u>	<u>(901)</u>	<u>50,693</u>
EXPENDITURES:				
Public Services	<u>35,850</u>	<u>41,089</u>	<u>(5,239)</u>	<u>35,605</u>
Total Expenditures	<u>35,850</u>	<u>41,089</u>	<u>(5,239)</u>	<u>35,605</u>
Excess (Deficit) of Revenues over Expenditures	11,914	5,774	(6,140)	15,088
Other Financing Sources (Uses) Operating Transfers Out	<u>(3,000)</u>	<u>(3,000)</u>		<u>(3,000)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	8,914	2,774	(6,140)	12,088
Fund Balance, Beginning of Year	<u>41,571</u>	<u>41,571</u>		<u>29,483</u>
Fund Balance, End of Year	\$ <u>50,485</u>	\$ <u>44,345</u>	\$ <u>(6,140)</u>	\$ <u>41,571</u>

KETCHIKAN GATEWAY BOROUGH
MOUNTAIN POINT SERVICE AREA FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

For the Year Ended June 30, 1993
(With Comparative Totals for the Year Ended June 30, 1992)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Year Ended June 30, 1992 Actual</u>
REVENUES:				
Public Services	\$ 31,000	\$ 30,960	\$ (40)	\$ 30,412
Interest Income	<u>4,000</u>	<u>4,471</u>	<u>471</u>	<u>4,686</u>
Total Revenues	<u>35,000</u>	<u>35,431</u>	<u>431</u>	<u>35,098</u>
EXPENDITURES:				
Public Services	<u>37,350</u>	<u>40,013</u>	<u>(2,663)</u>	<u>15,594</u>
Total Expenditures	<u>37,350</u>	<u>40,013</u>	<u>(2,663)</u>	<u>15,594</u>
Excess (Deficit) of Revenues over Expenditures	(2,350)	(4,582)	(2,232)	19,504
Other Financing Sources (Uses) Operating Transfers Out	<u>(4,600)</u>	<u>(4,600)</u>	<u> </u>	<u>(4,600)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(6,950)	(9,182)	(2,232)	14,904
Fund Balance, Beginning of Year	<u>101,838</u>	<u>101,838</u>	<u> </u>	<u>86,934</u>
Fund Balance, End of Year	<u>\$ 94,888</u>	<u>\$ 92,656</u>	<u>\$ (2,232)</u>	<u>\$ 101,838</u>

KETCHIKAN GATEWAY BOROUGH

SOUTH END FIRE DISTRICT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Year Ended June 30, 1993
 With Comparative Totals for the Year Ended June 30, 1992)

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended June 30, 1992 Actual
REVENUES:				
Real and Personal Taxes	\$ 63,423	\$ 76,463	\$ 13,040	\$ 61,656
Automobile and Boat Taxes	2,360	1,504	(856)	2,288
State Revenues	813	727	(86)	722
Interest Income	3,500	4,948	1,448	5,569
Other Revenue	3,000	3,000		8,600
Total Revenues	<u>73,096</u>	<u>86,642</u>	<u>13,546</u>	<u>78,835</u>
EXPENDITURES:				
Public Services	<u>84,000</u>	<u>71,864</u>	<u>12,136</u>	<u>80,250</u>
Total Expenditures	<u>84,000</u>	<u>71,864</u>	<u>12,136</u>	<u>80,250</u>
Excess (Deficit) of Revenues over Expenditures	(10,904)	14,778	25,682	(1,415)
Other Financing Sources (Uses) Operating Transfers Out	<u>(3,000)</u>	<u>(3,000)</u>		<u>(3,000)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(13,904)	11,778	25,682	(4,415)
Fund Balance, Beginning of Year	<u>89,024</u>	<u>89,024</u>		<u>93,439</u>
Fund Balance, End of Year	\$ <u>75,120</u>	\$ <u>100,802</u>	\$ <u>25,682</u>	\$ <u>89,024</u>

KETCHIKAN GATEWAY BOROUGH

WATERFALL SERVICE AREA FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Year Ended June 30, 1993
 (With Comparative Totals for the Year Ended June 30, 1992)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	Year Ended June 30, 1992 <u>Actual</u>
REVENUES:				
State Revenues		\$ 920	\$ 920	
Public Services	\$ 9,120	9,588	468	\$ 10,932
Interest Income	1,800	2,769	969	2,311
Total Revenues	<u>10,920</u>	<u>13,277</u>	<u>2,357</u>	<u>13,243</u>
EXPENDITURES:				
Public Services	<u>12,350</u>	<u>1,354</u>	<u>10,996</u>	<u>5,061</u>
Total Expenditures	<u>12,350</u>	<u>1,354</u>	<u>10,996</u>	<u>5,061</u>
Excess (Deficit) of Revenues over Expenditures	(1,430)	11,923	13,353	8,182
Other Financing Sources (Uses)				
Operating Transfers Out	<u>(965)</u>	<u>(965)</u>		<u>(965)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(2,395)	10,958	13,353	7,217
Fund Balance, Beginning of Year	<u>48,054</u>	<u>48,054</u>		<u>40,837</u>
Fund Balance, End of Year	\$ <u>45,659</u>	\$ <u>59,012</u>	\$ <u>13,353</u>	\$ <u>48,054</u>

KETCHIKAN GATEWAY BOROUGH

SOUTH TONGASS SERVICE AREA FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Year Ended June 30, 1993
 (With Comparative Totals for the Year Ended June 30, 1992)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Year Ended June 30, 1992 Actual</u>
REVENUES:				
Other Revenue:				
Interest Income	\$ <u>365</u>	\$ <u>343</u>	\$ <u>(22)</u>	\$ <u>327</u>
Total Revenues	<u>365</u>	<u>343</u>	<u>(22)</u>	<u>327</u>
EXPENDITURES:				
Community Development and Planning	_____	_____	_____	_____
Total Expenditures	_____	_____	_____	_____
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	365	343	(22)	327
Fund Balance, Beginning of Year	<u>6,968</u>	<u>6,968</u>	_____	<u>6,641</u>
Fund Balance, End of Year	\$ <u>7,333</u>	\$ <u>7,311</u>	\$ <u>(22)</u>	\$ <u>6,968</u>

KETCHIKAN GATEWAY BOROUGH
FOREST PARK SERVICE AREA FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Year Ended June 30, 1993
With Comparative Totals for the Year Ended June 30, 1992)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Year Ended June 30, 1992 Actual</u>
REVENUES:				
Real and Personal Taxes	\$ 59,601	\$ 59,385	\$ (216)	\$ 56,408
Automobile and Boat Taxes	1,800	1,679	(121)	1,615
State Revenues		2,084	2,084	
Public Services		225		4,849
Interest Income	<u>15,000</u>	<u>14,026</u>	<u>(974)</u>	<u>16,322</u>
Total Revenues	<u>76,401</u>	<u>77,399</u>	<u>998</u>	<u>79,194</u>
EXPENDITURES:				
Public Services	<u>160,950</u>	<u>125,173</u>	<u>35,777</u>	<u>53,423</u>
Total Expenditures	<u>160,950</u>	<u>125,173</u>	<u>35,777</u>	<u>53,423</u>
Excess (Deficit) of Revenues over Expenditures	(84,549)	(47,774)	36,775	25,771
Other Financing Sources (Uses)				
Operating Transfers Out	<u>(3,600)</u>	<u>(3,600)</u>	<u>_____</u>	<u>(3,600)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(88,149)	(51,374)	36,775	22,171
Fund Balance, Beginning of Year	<u>334,405</u>	<u>334,405</u>	<u>_____</u>	<u>312,234</u>
Fund Balance, End of Year	<u>\$ 246,256</u>	<u>\$ 283,031</u>	<u>\$ 36,775</u>	<u>\$ 334,405</u>

KETCHIKAN GATEWAY BOROUGH

GOLD NUGGET SERVICE AREA FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Year Ended June 30, 1993
 With Comparative Totals for the Year Ended June 30, 1992)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Year Ended June 30, 1992 Actual</u>
REVENUES:				
Public Services	\$ 7,290	\$ 8,556	\$ 1,266	\$ 6,333
State Revenues		476	476	
Interest Income	<u>407</u>	<u>589</u>	<u>182</u>	<u>356</u>
Total Revenues	<u>7,697</u>	<u>9,621</u>	<u>1,924</u>	<u>6,689</u>
EXPENDITURES:				
Public Services	<u>7,000</u>	<u>4,570</u>	<u>2,430</u>	<u>1,626</u>
Total Expenditures	<u>7,000</u>	<u>4,570</u>	<u>2,430</u>	<u>1,626</u>
Excess (Deficit) of Revenues over Expenditures	697	5,051	4,354	5,063
Other Financing Sources (Uses)				
Operating Transfers Out	<u>(1,000)</u>	<u>(1,000)</u>	_____	<u>(1,000)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(303)	4,051	4,354	4,063
Fund Balance, Beginning of Year	<u>8,623</u>	<u>8,623</u>	_____	<u>4,560</u>
Fund Balance, End of Year	<u>\$ 8,320</u>	<u>\$ 12,674</u>	<u>\$ 4,354</u>	<u>\$ 8,623</u>

KETCHIKAN GATEWAY BOROUGH
 NON AREAWIDE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL

For the Year Ended June 30, 1993
 (With Comparative Totals for the Year Ended June 30, 1992)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Year Ended June 30, 1992 Actual</u>
REVENUES:				
Real and Personal Taxes	\$ 219,229	\$ 219,869	\$ 640	\$ 211,477
State Revenues	6,866	6,709	(157)	8,146
Interest Income	<u>3,650</u>	<u>14,488</u>	<u>10,838</u>	<u>4,832</u>
Total Revenues	<u>229,745</u>	<u>241,066</u>	<u>11,321</u>	<u>224,455</u>
EXPENDITURES:				
Library Services	<u>246,840</u>	<u>246,839</u>	<u>1</u>	<u>222,930</u>
Total Expenditures	<u>246,840</u>	<u>246,839</u>	<u>1</u>	<u>222,930</u>
Excess (Deficit) of Revenues over Expenditures	(17,095)	(5,773)	11,322	1,525
Fund Balance, Beginning of Year	<u>69,972</u>	<u>69,972</u>	<u>_____</u>	<u>68,447</u>
Fund Balance, End of Year	<u>\$ 52,877</u>	<u>\$ 64,199</u>	<u>\$ 11,322</u>	<u>\$ 69,972</u>

KETCHIKAN GATEWAY BOROUGH

STATE AND FEDERAL GRANTS FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Year Ended June 30, 1993
 (With Comparative Totals for the Year Ended June 30, 1992)

	<u>1993</u>	<u>1992</u>
REVENUES:		
State Sources	\$ 2,432,659	1,631,582
Other Revenues	<u>25,253</u>	<u>\$ 82,622</u>
Total Revenues	<u>2,457,912</u>	<u>1,714,204</u>
EXPENDITURES:		
Public Services	<u>2,428,107</u>	<u>1,638,907</u>
Total Expenditures	<u>2,428,107</u>	<u>1,638,907</u>
Excess (Deficit) of Revenues over Expenditures	29,805	75,297
Fund Balance, Beginning of Year	<u>73,097</u>	<u>(2,200)</u>
Fund Balance, End of Year	<u>\$ 102,902</u>	<u>\$ 73,097</u>

KETCHIKAN GATEWAY BOROUGH
SCHOOL BONDS/CAPITAL IMPROVEMENTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

For the Year Ended June 30, 1993
(With Comparative Totals for the Year Ended June 30, 1992)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>	Year Ended June 30, 1992 <u>Actual</u>
REVENUES:				
State Grant	\$ 4,103,086	\$ 4,288,500	\$ 185,414	\$ 4,336,038
Interest Income	500,000	33,247	(466,753)	136,273
Other Revenue	<u>26,700</u>	<u>12,810</u>	<u>(13,890)</u>	<u>12,971</u>
Total Revenues	<u>4,629,786</u>	<u>4,334,557</u>	<u>(295,229)</u>	<u>4,485,282</u>
EXPENDITURES:				
Public Services	12,000	2,838	9,162	16,782
Capital Outlay	<u>583,214</u>	<u> </u>	<u>583,214</u>	<u>289,711</u>
Total Expenditures	<u>595,214</u>	<u>2,838</u>	<u>592,376</u>	<u>306,493</u>
Excess (Deficit) of Revenues over Expenditures	4,034,572	4,331,719	297,147	4,178,789
Other Financing Sources (Uses) Operating Transfers Out	<u>(4,922,455)</u>	<u>(4,923,178)</u>	<u>(723)</u>	<u>(4,988,483)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(887,883)	(591,459)	296,424	(809,694)
Fund Balance, Beginning of Year	<u>667,801</u>	<u>667,801</u>	<u> </u>	<u>1,477,495</u>
Fund Balance, End of Year	\$ <u>(220,082)</u>	\$ <u>76,342</u>	\$ <u>296,424</u>	\$ <u>667,801</u>

KETCHIKAN GATEWAY BOROUGH

PERMANENT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Year Ended June 30, 1993
 (With Comparative Totals for the Year Ended June 30, 1992)

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended June 30, 1992 Actual
REVENUES:				
Interest Income	\$ 14,224	\$ 12,240	\$ (1,984)	\$ 12,173
Timber Sales				198,415
Other Revenues				230
Total Revenues	<u>14,224</u>	<u>12,240</u>	<u>(1,984)</u>	<u>210,818</u>
Excess (Deficit) of Revenues over Expenditures	14,224	12,240	(1,984)	210,818
Other Financing Sources (Uses)				
Operating Transfers Out	<u>(11,954)</u>	<u>(11,954)</u>		<u>(800)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	2,270	286	(1,984)	210,018
Fund Balance, Beginning of Year	<u>259,066</u>	<u>259,066</u>		<u>49,048</u>
Fund Balance, End of Year	<u>\$ 261,336</u>	<u>\$ 259,352</u>	<u>\$ (1,984)</u>	<u>\$ 259,066</u>

KETCHIKAN GATEWAY BOROUGH

SPECIAL RECREATION FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Year Ended June 30, 1993
 (With Comparative Totals for the Year Ended June 30, 1992)

	<u>1993</u>	<u>1992</u>
REVENUES:		
Donations	\$	\$ 24,000
Other Revenues		883
	<u> </u>	<u> </u>
Total Revenues		24,883
EXPENDITURES:		
Capital Outlay	18,314	48,400
	<u> </u>	<u> </u>
Total Expenditures	18,314	48,400
Excess (Deficit) of Revenues over Expenditures	(18,314)	(23,517)
Fund Balance, Beginning of Year	<u>66,406</u>	<u>89,923</u>
Fund Balance, End of Year	\$ <u><u>48,092</u></u>	\$ <u><u>66,406</u></u>

KETCHIKAN GATEWAY BOROUGH

RECREATION SALES TAX FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

ACTUAL

For the Year Ended June 30, 1993

	<u>1993</u>
REVENUES:	
Taxes	\$ 178,707
Other Revenue	<u>9,677</u>
Total Revenues	<u>188,384</u>
Excess (Deficit) of Revenues over Expenditures	188,384
Other Financing Sources (Uses) Operating Transfers Out	<u>(150,000)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	38,384
Fund Balance, Beginning of Year	<u> </u>
Fund Balance, End of Year	\$ <u>38,384</u>

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DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

The following funds are included in this section:

1974 GENERAL OBLIGATION BOND REDEMPTION FUND - To accumulate funds for the payment of principal and interest on the 1974 High School Expansion General Obligation Refunding Bonds due through 1995 at 5% to 8% interest. Financing is provided through transfers from the School Bond/Capital Improvements Fund which are partially funded through the State in the form of debt reimbursement payments.

1983 GENERAL OBLIGATION BOND REDEMPTION FUND - To accumulate funds for the payment of principal and interest. Financing is provided through transfers from the School Bond/Capital Improvements Fund.

1989 GENERAL OBLIGATION BOND REDEMPTION FUND - To accumulate funds for the payment of principal and interest. Financing is provided through transfers from the School Bond/Capital Improvements Fund.

The following statements are included in this section:

Combining Balance Sheet

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

KETCHIKAN GATEWAY BOROUGH

DEBT SERVICE FUNDS

COMBINING BALANCE SHEET

June 30, 1993

(With Comparative Totals for the Year Ended June 30, 1992)

	1974 G.O. Bond Redemption Fund	1983 G.O. Bond Redemption Fund	1989 G.O. Bond Redemption Fund	<u>Totals</u>	
				<u>1993</u>	<u>1992</u>
ASSETS					
Due from Other Funds	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Total Assets	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>
 FUND BALANCE					
Fund Balance	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Total Fund Balance	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>

KETCHIKAN GATEWAY BOROUGH

DEBT SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 1993
 (With Comparative Totals for the Year Ended June 30, 1992)

	1974 G.O. Bond Redemption Fund	1983 G.O. Bond Redemption Fund	1989 G.O. Bond Redemption Fund	Totals	
				1993	1992
EXPENDITURES					
Debt Service					
Principal	\$ 365,000	\$ 2,245,000	\$ 1,200,000	\$ 3,810,000	\$ 3,851,693
Interest	66,115	427,140	619,923	1,113,178	1,388,483
Total	<u>431,115</u>	<u>2,672,140</u>	<u>1,819,923</u>	<u>4,923,178</u>	<u>5,240,176</u>
Excess (Deficit) of Revenues over Expenditures	<u>(431,115)</u>	<u>(2,672,140)</u>	<u>(1,819,923)</u>	<u>(4,923,178)</u>	<u>(5,240,176)</u>
Other Financing Sources (Uses)					
Transfer from General Fund	431,115	2,672,140	1,819,923	4,923,178	4,988,483
Transfer from School Operating					78,896
Total Other Financing Sources (Uses)	<u>431,115</u>	<u>2,672,140</u>	<u>1,819,923</u>	<u>4,923,178</u>	<u>5,067,379</u>
Excess (Deficit) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses					(172,797)
Fund Balances, Beginning of Year					<u>172,797</u>
Fund Balances, End of Year	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>

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CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. This does not include capital projects financed by proprietary funds and special assessment funds.

The following funds are included in this section:

K-High Swimming Pool Remodel
School Bond Construction Fund - 1989

The following statements are included in this section:

Combining Balance Sheet

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

KETCHIKAN GATEWAY BOROUGH

CAPITAL PROJECTS FUNDS

COMBINING BALANCE SHEET

June 30, 1993

(With Comparative Totals for June 30, 1992)

	K-High Swimming Pool Remodel	School Bond Construction Fund 1989	Total	
			1993	1992
ASSETS				
Cash in Central Treasury	\$ 149,634	\$ 10,006,422	\$ 10,156,056	\$ 15,736,793
Due From Other Funds				1,351,880
Accrued Interest Receivable				193,614
Total Assets	\$ 149,634	\$ 10,006,422	\$ 10,156,056	\$ 17,282,287
LIABILITIES AND FUND EQUITY				
LIABILITIES				
Accounts Payable	\$ 140,581	\$ 1,354,220	\$ 1,494,801	\$ 1,348,339
Accrued Liabilities				3,542
Retainage Payable		613,855	613,855	
Due to Other Funds				74,669
Bond Interest Rebate		250,000	250,000	250,000
Deferred Grant Receipts		4,974,610	4,974,610	6,504,188
Total Liabilities	140,581	7,192,685	7,333,266	8,180,738
FUND EQUITY				
Fund Balance	9,053	2,813,737	2,822,790	9,101,549
Total Fund Balances	9,053	2,813,737	2,822,790	9,101,549
Total Liabilities and Fund Equity	\$ 149,634	\$ 10,006,422	\$ 10,156,056	\$ 17,282,287

KETCHIKAN GATEWAY BOROUGH

CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 1993
(With Comparative Totals for the Year Ended June 30, 1992)

	K--High Swimming Pool Remodel	School Bond Construction Fund 1989	Total	
			1993	1992
REVENUES				
Local Sources				
State Sources		\$ 5,360,345	\$ 5,360,345	\$ 21,592
Other Revenues		98,882	98,882	
Interest		692,199	692,199	941,307
Total Revenues		6,151,426	6,151,426	962,899
EXPENDITURES				
Contractual Services	140,947		140,947	
Educational Facilities	\$	12,439,238	12,439,238	3,462,737
Other Expense				250,000
Total Expenditures	140,947	12,439,238	12,580,185	3,712,737
Excess (Deficit) of Revenues over Expenditures	<u>(140,947)</u>	<u>(6,287,812)</u>	<u>(6,428,759)</u>	<u>(2,749,838)</u>
Other Financing Sources (Uses)				
Transfers from Other Funds	150,000		150,000	
Total Other Financing Sources (Uses)	150,000		150,000	
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	9,053	(6,287,812)	(6,278,759)	(2,749,838)
Fund Balances, Beginning of Year		9,101,549	9,101,549	11,851,387
Fund Balances, End of Year	\$ <u>9,053</u>	\$ <u>2,813,737</u>	\$ <u>2,822,790</u>	\$ <u>9,101,549</u>

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ENTERPRISE FUNDS

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that the costs of providing these services on a continuing basis be financed or recovered primarily through user charges. Costs include an allocation of depreciation expense.

AIRPORT ENTERPRISE FUND - An enterprise fund to account for the operations of the Ketchikan International Airport. All of the financial transactions relating to the Ketchikan International Airport are accounted for in this fund.

TRANSIT ENTERPRISE FUND - An enterprise fund to account for the operation of the Borough Bus System. All of the financial transactions relating to the Borough Buses are accounted for in this fund.

RECREATION ENTERPRISE FUND - An enterprise fund to account for the operation of Recreation Programs, Latchkey, and swimming pools for the Ketchikan Gateway Borough. All of the financial transactions relating to the Recreation Programs are accounted for in this fund.

The following statements are included in this section:

- Combining Balance Sheet
- Combining Statement of Revenues, Expenses and Changes in Retained Earnings
- Combining Statement of Cash Flows

Airport Enterprise Fund:

- Balance Sheets
- Statement of Revenues, Expenses and Changes in Retained Earnings - Budget and Actual
- Statements of Cash Flows

Transit Enterprise Fund:

- Balance Sheets
- Statement of Revenues, Expenses and Changes in Retained Earnings - Budget and Actual
- Statements of Cash Flows

Recreation Enterprise Fund

- Balance Sheets
- Statement of Revenues, Expenses and Changes in Retained Earnings - Budget and Actual
- Statements of Cash Flows

KETCHIKAN GATEWAY BOROUGH

ENTERPRISE FUNDS

COMBINING BALANCE SHEET

June 30, 1993

(With Comparative Totals for June 30, 1992)

	Airport	Transit	Recreation	Totals	
				June 30, 1993	June 30, 1992
ASSETS					
Cash and Investments	\$ 211,687		200	\$ 211,887	\$ 185,607
Due From Other Governments		\$ 182	338	500	12,821
Accounts Receivable	179,633			179,633	264,254
Total Current Assets	391,320	162	538	392,020	462,682
Restricted Assets					
Bond Redemption Fund Cash & Investments	59,733			59,733	59,733
Plant in Service					
Buildings and Equipment	8,565,138	147,479	5,374	8,717,991	7,949,965
Construction in Progress					611,502
Less Accumulated Depreciation	(3,697,662)	(93,310)	(202)	(3,791,174)	(3,446,837)
Total Plant in Service	4,867,476	54,169	5,172	4,926,817	5,114,630
Total Assets	\$ 5,318,529	\$ 54,331	\$ 5,710	\$ 5,378,570	\$ 5,637,045
LIABILITIES AND FUND EQUITY					
Current Liabilities					
Accounts Payable	\$ 49,191	\$ 18,014	\$ 9,788	\$ 76,993	\$ 220,242
Due to Other Funds		43,758	8,447	52,205	64843
Accrued Vacation & Sick Leave	172,027	6,050	24,513	202,590	204,543
Accrued Interest Payable	14,308			14,308	14,308
Current Portion of Long Term Debt	165,000			165,000	195,000
Total Current Liabilities	400,526	67,822	42,748	511,096	698,936
Long-term Debt	705,000			705,000	895,000
Total Liabilities	1,105,526	67,822	42,748	1,216,096	1,593,936
Fund Equity:					
Contributed Capital	1,874,093	4,711		1,878,804	1,998,740
Retained Earnings					
Unreserved	2,279,177	(18,202)	(37,038)	2,223,937	1,984,636
Reserved	59,733			59,733	59,733
Total Retained Earnings	2,338,910	(18,202)	(37,038)	2,283,670	2,044,369
Total Fund Equity	4,213,003	(13,491)	(37,038)	4,162,474	4,043,109
Total Liabilities and Fund Equity	\$ 5,318,529	\$ 54,331	\$ 5,710	\$ 5,378,570	\$ 5,637,045

KETCHIKAN GATEWAY BOROUGH

ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS

For the Year Ended June 30, 1993
 (With Comparative Totals for the Year Ended June 30, 1992)

	Airport	Transit	Recreation	Totals	
				June 30, 1993	June 30, 1992
OPERATING REVENUES					
Charges for Services	\$ <u>2,088,491</u>	\$ <u>119,191</u>	\$ <u>274,152</u>	\$ <u>2,481,834</u>	\$ <u>2,544,432</u>
Total Operating Revenues	<u>2,088,491</u>	<u>119,191</u>	<u>274,152</u>	<u>2,481,834</u>	<u>2,544,432</u>
OPERATING EXPENSES					
Total Operating Expenses	<u>2,189,417</u>	<u>237,175</u>	<u>748,915</u>	<u>3,175,507</u>	<u>3,196,441</u>
Net Operating (Loss)	<u>(100,926)</u>	<u>(117,984)</u>	<u>(474,763)</u>	<u>(693,673)</u>	<u>(652,009)</u>
NON OPERATING REVENUES (EXPENSES)					
UMTA Grant for Ferry					37,113
State Operating Grants	156,861	2,106		158,967	284,611
Interest Earnings	14,781			14,781	16,393
Interest Expense	(69,014)			(69,014)	(78,278)
Other Revenue					12
Total Nonoperating Revenues (Expenses)	<u>102,628</u>	<u>2,106</u>		<u>104,734</u>	<u>259,851</u>
Income (Loss) Before Operating Transfers	<u>1,702</u>	<u>(115,878)</u>	<u>(474,763)</u>	<u>(588,939)</u>	<u>(392,158)</u>
Other Financing Sources (Uses)					
Operating Transfers In	143,304	95,000	485,000	723,304	1,180,643
Operating Transfers Out		(15,000)		(15,000)	(15,000)
Total Other Financing Sources (Uses)	<u>143,304</u>	<u>80,000</u>	<u>485,000</u>	<u>708,304</u>	<u>1,165,643</u>
Net Income (Loss)	145,006	(35,878)	10,237	119,365	773,485
Depreciation of Fixed Assets Acquired by Grants	<u>114,546</u>	<u>5,390</u>		<u>119,936</u>	<u>119,932</u>
Increase (Decrease) in Retained Earnings	259,552	(30,488)	10,237	239,301	893,417
Retained Earnings, Beginning of Year	<u>2,079,358</u>	<u>12,286</u>	<u>(47,275)</u>	<u>2,044,369</u>	<u>1,150,952</u>
Retained Earnings at End of Year	\$ <u>2,338,910</u>	\$ <u>(18,202)</u>	\$ <u>(37,038)</u>	\$ <u>2,283,670</u>	\$ <u>2,044,369</u>

KETCHIKAN GATEWAY BOROUGH
 ENTERPRISE FUNDS
 COMBINING STATEMENT OF CASH FLOWS
 For the Fiscal Year Ended June 30, 1993

	<u>Airport</u>	<u>Transit</u>	<u>Recreation</u>	<u>Total</u>
Cash Flows for Operating Activities:				
Operating Income (Loss)	\$ (100,926)	\$ (117,984)	\$ (474,763)	\$ (693,673)
Adjustments to Reconcile Operating Loss to Net Cash Provided to (Used in) Operating Activities:				
Depreciation	327,093	17,041	202	344,336
Change in Assets and Liabilities:				
(Increase) in Accounts Receivables	84,621			84,621
Decrease in Due from Other Governments			(338)	(338)
Increase in Accounts Payable	(164,151)	15,508	5,394	(143,249)
Increase in Accrued Liabilities	(7,999)	2,627	3,419	(1,953)
Net Cash Provided by (Used in) Operating Activities	<u>138,638</u>	<u>(82,808)</u>	<u>(466,086)</u>	<u>(410,256)</u>
Cash Flows from Noncapital Financing Activities:				
Operating Grants Received	156,861	2,106		158,967
(Decrease) Increase in Due to Other Funds	12,659	702	(13,340)	21
Transfers in from General Fund	143,304	95,000	485,000	723,304
Transfers out to General Fund		<u>(15,000)</u>		<u>(15,000)</u>
Net Cash Provided by Noncapital Financing Activities	<u>312,824</u>	<u>82,808</u>	<u>471,660</u>	<u>867,292</u>
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Equipment	(151,149)		(5,374)	(156,523)
Principal Paid on Bonds Payable	(220,000)			(220,000)
Interest Paid on Bonds Payable	<u>(69,014)</u>			<u>(69,014)</u>
Net Cash Used for Capital and Related Financing Activities	<u>(440,163)</u>		<u>(5,374)</u>	<u>(445,537)</u>
Cash Flows from Investing Activities				
Interest on Investments	<u>14,781</u>			<u>14,781</u>
Net Increase in Cash and Cash Equivalents	26,080		200	26,280
Cash and Cash Equivalents, Beginning of Year	<u>245,340</u>			<u>245,340</u>
Cash and Cash Equivalents, End of Year	<u>\$ 271,420</u>	<u>\$</u>	<u>\$ 200</u>	<u>\$ 271,620</u>

Noncash investing, capital, and financing activities: None

KETCHIKAN GATEWAY BOROUGH
AIRPORT ENTERPRISE FUND
COMPARATIVE BALANCE SHEETS

June 30, 1993 and 1992

	<u>1993</u>	<u>1992</u>
ASSETS		
Cash and Cash Equivalents	\$ 211,687	\$ 185,607
Due from Other Governments		12,659
Accounts Receivable	<u>179,633</u>	<u>264,254</u>
Total Current Assets	<u>391,320</u>	<u>462,520</u>
Restricted Assets		
Bond Redemption Fund Cash & Cash Equivalents	<u>59,733</u>	<u>59,733</u>
Plant in Service		
Field	3,183,501	3,182,072
Terminal	3,825,696	3,065,324
Ferry	1,555,091	1,555,090
Administration	850	
Construction in Progress		611,502
Less Accumulated Depreciation	<u>(3,697,662)</u>	<u>(3,370,568)</u>
Total Plant in Service	<u>4,867,476</u>	<u>5,043,420</u>
Total Assets	<u>\$ 5,318,529</u>	<u>\$ 5,565,673</u>
LIABILITIES AND FUND EQUITY		
Current Liabilities		
Accounts Payable	\$ 49,191	\$ 213,342
Accrued Vacation & Sick Leave	172,027	180,026
Accrued Interest Payable	14,308	14,308
Current Portion of Long Term Debt	<u>165,000</u>	<u>195,000</u>
Total Current Liabilities	<u>400,526</u>	<u>602,676</u>
Long-term Debt	<u>705,000</u>	<u>895,000</u>
Total Liabilities	<u>1,105,526</u>	<u>1,497,676</u>
Fund Equity:		
Contributed Capital	<u>1,874,093</u>	<u>1,988,639</u>
Retained Earnings		
Unreserved	2,279,177	2,019,625
Reserved	<u>59,733</u>	<u>59,733</u>
Total Retained Earnings	<u>2,338,910</u>	<u>2,079,358</u>
Total Fund Equity	<u>4,213,003</u>	<u>4,067,997</u>
Total Liabilities and Fund Equity	<u>\$ 5,318,529</u>	<u>\$ 5,565,673</u>

KETCHIKAN GATEWAY BOROUGH

AIRPORT ENTERPRISE FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
BUDGET AND ACTUAL

For the Year Ended June 30, 1993

	Budget	Actual	Adjustment to Budgetary Basis	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)	Year Ended June 30, 1992 Actual
OPERATING REVENUES						
Charges for Services	\$ 2,097,528	\$ 2,088,491		2,088,491	\$ (9,037)	\$ 2,188,484
Total Operating Income	2,097,528	2,088,491		2,088,491	(9,037)	2,188,484
OPERATING EXPENSES						
Field	833,298	490,016	94,432	584,448	248,850	630,865
Terminal	1,069,664	406,773	335,620	742,393	327,271	468,945
Ferry	1,079,357	798,791	12,838	811,629	267,728	988,694
Administration		159,017		159,017	(159,017)	
Murphy's Landing	17,681	7,727		7,727	9,954	
Depreciation		327,093	(327,093)			284,008
Total Operating Expenses	3,000,000	2,189,417	115,797	2,305,214	694,786	2,372,512
Net Operating Revenues (Loss)	(902,472)	(100,926)	(115,797)	(216,723)	685,749	(184,028)
NON OPERATING REVENUES (EXPENSES)						
UMTA Grant for Ferry	35,500				(35,500)	37,113
State Operating Grants	226,500	156,861		156,861	(69,639)	275,871
Interest Earnings	4,200	14,781		14,781	10,581	16,393
Interest Expense		(69,014)	69,014	0	0	(78,278)
Total Nonoperating Revenues (Expenses)	266,200	102,628	69,014	171,642	(94,558)	251,099
Income (Loss) Before Operating Transfers	(636,272)	1,702	(46,783)	(45,081)	591,191	67,071
Other Financing Sources (Uses)						
Operating Transfers In	330,000	143,304		143,304	(186,696)	785,643
Net Income (Loss)	(306,272)	145,006	(46,783)	98,223	404,495	852,714
Depreciation of Fixed Assets Acquired by Grants		114,546	(114,546)			114,551
Increase (Decrease) in Retained Earnings	(306,272)	259,552	(161,329)	98,223	404,495	967,265
Retained Earnings, Beginning of Year	2,079,358	2,079,358		2,079,358		1,112,093
Retained Earnings at End of Year	\$ 1,773,086	\$ 2,338,910	\$ (161,329)	\$ 2,177,581	\$ 404,495	\$ 2,079,358
Nature and Amount of Adjustments from GAAP Basis to Budgetary Basis						
Depreciation			327,093			
Amortization of Contributed Capital			(114,546)			
Principal Payment of Long Term Debt			(220,000)			
Capital Expenditures			(153,876)			
Total Adjustments			\$ (161,329)			

KETCHIKAN GATEWAY BOROUGH

AIRPORT ENTERPRISE FUND

COMPARATIVE STATEMENTS OF CASH FLOWS

For the Fiscal Years Ended June 30, 1993 and 1992

	<u>1993</u>	<u>1992</u>
Cash Flows from Operating Activities:		
Operating (Loss)	\$ (100,926)	\$ (184,028)
Adjustments to Reconcile Operating Income to Net Cash Used in Operating Activities:		
Depreciation	327,093	284,008
Change in Assets and Liabilities:		
Decrease (Increase) in Accounts Receivables	84,621	(94,844)
Increase (Decrease) in Accounts Payable	(164,151)	154,579
Increase (Decrease) in Deferred Revenue		(7,557)
Increase (Decrease) in Accrued Liabilities	<u>(7,999)</u>	<u>21,248</u>
Net Cash from Operating Activities	<u>138,638</u>	<u>173,406</u>
Cash Flows from Noncapital Financing Activities:		
Operating Grants Received	156,861	312,984
Due from Others	12,659	(12,659)
Contributed Capital		55,557
Transfers from General Fund	<u>143,304</u>	<u>785,643</u>
Net Cash Provided by Noncapital Financing Activities	<u>312,824</u>	<u>1,141,525</u>
Cash Flows from Capital and Related Financing Activities:		
Acquisition of Equipment	(151,149)	(919,237)
Principal Paid on Bonds Payable	(220,000)	(210,000)
Interest Paid on Bonds Payable	<u>(69,014)</u>	<u>(78,278)</u>
Net Cash Used for Capital and Related Financing Activities	<u>(440,163)</u>	<u>(1,207,515)</u>
Cash Flows from Investing Activities:		
Interest on Investments	<u>14,781</u>	<u>16,393</u>
Net Cash Provided from Investing Activities	<u>14,781</u>	<u>16,393</u>
Net Increase (Decrease) in Cash and Investments	26,080	123,809
Cash and Cash Equivalents, Beginning of Year	<u>245,340</u>	<u>121,531</u>
Cash and Cash Equivalents, End of Year	<u>\$ 271,420</u>	<u>\$ 245,340</u>

Noncash investing, capital, and financing activities: None

KETCHIKAN GATEWAY BOROUGH
 TRANSIT ENTERPRISE FUND
 COMPARATIVE BALANCE SHEETS
 June 30, 1993 and 1992

	<u>1993</u>	<u>1992</u>
ASSETS		
Due from Other Governments	\$ <u>162</u>	<u>162</u>
Total Current Assets	<u>162</u>	<u>162</u>
Plant in Service		
Buses	147,479	147,479
Less Accumulated Depreciation	<u>(93,310)</u>	<u>(76,269)</u>
Net Plant in Service	<u>54,169</u>	<u>71,210</u>
Total Assets	\$ <u>54,331</u>	\$ <u>71,372</u>
LIABILITIES AND FUND EQUITY		
Liabilities		
Accounts Payable	\$ 18,014	\$ 2,506
Due to Other Funds	43,758	43,056
Accrued Vacation and Sick Leave	<u>6,050</u>	<u>3,423</u>
Total Current Liabilities	<u>67,822</u>	<u>48,985</u>
Fund Equity:		
Contributed Capital	4,711	10,101
Retained Earnings	<u>(18,202)</u>	<u>12,286</u>
Total Fund Equity	<u>(13,491)</u>	<u>22,387</u>
Total Liabilities and Fund Equity	\$ <u>54,331</u>	\$ <u>71,372</u>

KETCHIKAN GATEWAY BOROUGH

TRANSIT ENTERPRISE FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
BUDGET AND ACTUALFor the Year Ended June 30, 1993
(With Comparative Totals for the Year Ended June 30, 1992)

	<u>Budget</u>	<u>Actual</u>	<u>Adjustment to Budgetary Basis</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Year Ended June 30, 1992 Actual</u>
OPERATING REVENUES						
Charges for Services	\$ 140,000	\$ 119,191	\$ _____	\$ 119,191	\$ (20,809)	\$ 102,533
Total Operating Income	140,000	119,191	_____	119,191	(20,809)	102,533
OPERATING EXPENSES						
Public Service	238,050	220,134	_____	220,134	17,916	179,612
Depreciation	_____	17,041	(17,041)	_____	_____	17,041
Total Operating Expenses	238,050	237,175	(17,041)	220,134	17,916	196,653
Net Operating Revenues(Loss)	(98,050)	(117,984)	17,041	(100,943)	(2,893)	(94,120)
NON OPERATING REVENUES (EXPENSES)						
Interest Income	1,200	_____	_____	_____	(1,200)	_____
State Operating Grants	2,156	2,106	_____	2,106	(50)	2,154
Other Revenue	2,000	_____	_____	_____	(2,000)	12
Total Nonoperating Revenues (Expenses)	5,356	2,106	_____	2,106	(3,250)	2,166
Income (Loss) Before Operating Transfers	(92,694)	(115,878)	17,041	(98,837)	(6,143)	(91,954)
Other Financing Sources (Uses)						
Operating Transfers In	95,000	95,000	_____	95,000	_____	75,000
Operating Transfers Out	(15,000)	(15,000)	_____	(15,000)	_____	(15,000)
Total Other Financing Sources (Uses)	80,000	80,000	_____	80,000	_____	60,000
Net Income (Loss)	(12,694)	(35,878)	17,041	(18,837)	(6,143)	(31,954)
Depreciation of Fixed Assets						
Acquired by Grants	_____	5,390	(5,390)	_____	_____	5,381
Increase (Decrease) in Retained Earnings	(12,694)	(30,488)	11,651	(18,837)	(6,143)	(26,573)
Retained Earnings, Beginning of Year	12,286	12,286	_____	12,286	_____	38,859
Retained Earnings at End of Year	\$ (408)	\$ (18,202)	\$ 11,651	\$ (6,551)	\$ (6,143)	\$ 12,286
Nature and Amount of Adjustments from GAAP Basis to Budgetary Basis						
Depreciation	_____	_____	17,041	_____	_____	_____
Amortization of Contributed Capital	_____	_____	(5,390)	_____	_____	_____
Total Adjustments	_____	_____	11,651	_____	_____	_____

KETCHIKAN GATEWAY BOROUGH

TRANSIT ENTERPRISE FUND

COMPARATIVE STATEMENTS OF CASH FLOWS

For the Fiscal Years Ended June 30, 1993 and 1992

	<u>1993</u>	<u>1992</u>
Cash Flows from Operating Activities:		
Operating Loss	\$ (117,984)	\$ (94,120)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:		
Depreciation	17,041	17,041
Change in assets and Liabilities:		
Decrease (Increase) in Due to Other Governments		1,578
Increase (Decrease) in Accounts Payables	15,508	327
Increase (Decrease) in Accrued Liabilities	<u>2,627</u>	<u>2,346</u>
Net Cash from Operating Activities	<u>(82,808)</u>	<u>(72,828)</u>
Cash Flows from Noncapital Financing Activities:		
Other Revenues		12
Operating Grants Received	2,106	2,154
Due to Other Funds	702	10,662
Transfers in from General Fund	95,000	75,000
Transfers out to General Fund	<u>(15,000)</u>	<u>(15,000)</u>
Net Cash Provided by Noncapital Financing Activities	<u>82,808</u>	<u>72,828</u>
Net Increase (Decrease) in Cash and Investments		
Cash and Cash Equivalents, Beginning of Year	_____	_____
Cash and Cash Equivalents, End of Year	\$ <u>_____</u>	\$ <u>_____</u>

Noncash investing, capital, and financing activities: None

KETCHIKAN GATEWAY BOROUGH
RECREATION ENTERPRISE FUND
COMPARATIVE BALANCE SHEETS

For the Fiscal Years Ended June 30, 1993 and 1992

	<u>1993</u>	<u>1992</u>
ASSETS		
Cash	\$ 200	
Due from Other Governments	<u>338</u>	<u> </u>
Total Current Assets	<u>538</u>	<u> </u>
Plant in Service		
Equipment	5,374	
Less Accumulated Depreciation	<u>(202)</u>	<u> </u>
Net Plant in Service	<u>5,172</u>	<u> </u>
Total Assets	<u>\$ 5,710</u>	<u>\$ </u>
LIABILITIES AND FUND EQUITY		
Liabilities		
Accounts Payable	\$ 9,788	\$ 4,394
Due to Other Funds	8,447	21,787
Accrued Vacation and Sick Leave	<u>24,513</u>	<u>21,094</u>
Total Current Liabilities	<u>42,748</u>	<u>47,275</u>
Fund Equity:		
Contributed Capital		
Retained Earnings	<u>(37,038)</u>	<u>(47,275)</u>
Total Fund Equity	<u>(37,038)</u>	<u>(47,275)</u>
Total Liabilities and Fund Equity	<u>\$ 5,710</u>	<u>\$ </u>

KETCHIKAN GATEWAY BOROUGH

RECREATION ENTERPRISE FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
BUDGET AND ACTUAL

For the Year Ended June 30, 1993
(With Comparative Totals for the Year Ended June 30, 1992)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	Year Ended June 30, 1992 <u>Actual</u>
OPERATING REVENUES				
Charges for Services	\$ 427,170	\$ 274,152	\$ (153,018)	\$ 253,415
Total Operating Income	<u>427,170</u>	<u>274,152</u>	<u>(153,018)</u>	<u>253,415</u>
OPERATING EXPENSES				
Public Service	857,843	748,713	109,130	627,276
Depreciation		<u>202</u>	<u>202</u>	
Total Operating Expenses	<u>857,843</u>	<u>748,915</u>	<u>109,332</u>	<u>627,276</u>
Net Operating Revenues(Loss)	<u>(430,673)</u>	<u>(474,763)</u>	<u>(44,090)</u>	<u>(373,861)</u>
NON OPERATING REVENUES (EXPENSES)				
Interest Income	400		(400)	
State Operating Grants	<u>5,400</u>		<u>(5,400)</u>	<u>6,586</u>
Total Nonoperating Revenues (Expenses)	<u>5,800</u>		<u>(5,800)</u>	<u>6,586</u>
Income (Loss) Before Operating Transfers	<u>(424,873)</u>	<u>(474,763)</u>	<u>(49,890)</u>	<u>(367,275)</u>
Other Financing Sources (Uses)				
Operating Transfers In	<u>485,000</u>	<u>485,000</u>		<u>320,000</u>
Total Other Financing Sources (Uses)	<u>485,000</u>	<u>485,000</u>		<u>320,000</u>
Net Income (Loss)	60,127	10,237	(49,890)	(47,275)
Retained Earnings, Beginning of Year	<u>(47,275)</u>	<u>(47,275)</u>		
Retained Earnings at End of Year	\$ <u>12,852</u>	\$ <u>(37,038)</u>	\$ <u>(49,890)</u>	\$ <u>(47,275)</u>

KETCHIKAN GATEWAY BOROUGH
RECREATION ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 1993 and 1992

	<u>1993</u>	<u>1992</u>
Cash Flows from Operating Activities:		
Operating Loss	\$ (474,763)	\$ (373,861)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:		
Depreciation	202	
Change in Assets and Liabilities:		
Decrease (Increase) in Due to Other Governments	(338)	
Increase (Decrease) in Accounts Payables	5,394	4,394
Increase (Decrease) in Accrued Liabilities	<u>3,419</u>	<u>21,094</u>
Net Cash from Operating Activities	(466,086)	(348,373)
Cash Flows from Noncapital Financing Activities:		
Operating Grants Received Due to Other Funds	(13,340)	6,586
Transfers in from General Fund	<u>485,000</u>	<u>21,787</u>
Net Cash Provided by Noncapital Financing Activities	<u>471,660</u>	<u>320,000</u>
Cash Flows from Capital and Related Financing Activities		
Acquisition of Equipment	<u>(5,374)</u>	
Net Cash Used for Capital and Related Financing Activities	<u>(5,374)</u>	
Net Increase (Decrease) in Cash and Investments	200	
Cash and Cash Equivalents, Beginning of Year	<u> </u>	<u> </u>
Cash and Cash Equivalents, End of Year	<u>\$ 200</u>	<u>\$ </u>
Noncash investing, capital, and financing activities: None		

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AGENCY FUNDS

Agency Funds are used to account for assets held by a governmental unit in a agency capacity for individuals, other governmental units and/or other funds.

The following funds and statements are included in this section:

Agency Funds

Agency Funds - Statement of Changes in Assets and Liabilities

KETCHIKAN GATEWAY BOROUGH
 AGENCY FUNDS
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 Year Ended June 30, 1993

	<u>Balance</u> <u>June 30, 1993</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 1993</u>
DEFERRED COMPENSATION FUND				
Assets				
Funds with Fiscal Agents	\$ <u>471,453</u>	\$ <u>120,317</u>	\$ <u>44,366</u>	\$ <u>547,404</u>
Liabilities				
Deferred Compensation	\$ <u>471,453</u>	\$ <u>120,317</u>	\$ <u>44,366</u>	\$ <u>547,404</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

This account group accounts for all fixed assets of the Borough that are not used in the proprietary fund operations. They do not represent financial resources available for expenditures. They are items for which financial resources have been used and for which accountability should be maintained.

The following statements are included in this section:

Statements of General Fixed Assets

Schedule of General Fixed Assets-by Function and Activity

KETCHIKAN GATEWAY BOROUGH
 GENERAL FIXED ASSETS ACCOUNT GROUP
 COMPARATIVE STATEMENTS OF GENERAL FIXED ASSETS
 June 30, 1993 and 1992

	<u>1993</u>	<u>1992</u>
GENERAL FIXED ASSETS		
Land	\$ 30,865	\$ 30,865
Buildings	1,612,316	786,615
Equipment	1,414,871	1,243,879
Construction in Progress	<u>140,582</u>	<u> </u>
Total	<u>\$ 3,198,634</u>	<u>\$ 2,061,359</u>
INVESTMENT IN GENERAL FIXED ASSETS FROM:		
Federal and State Grants	\$ 604,166	\$ 594,923
General Revenues	<u>2,594,468</u>	<u>1,466,436</u>
Total	<u>\$ 3,198,634</u>	<u>\$ 2,061,359</u>

KETCHIKAN GATEWAY BOROUGH

SCHEDULE OF GENERAL FIXED ASSETS--BY FUNCTION AND ACTIVITY

June 30, 1993

Function and Activity	Land	Buildings	Machinery and Equipment	Construction in Progress	Total
General Government:					
Manager	\$ 30,865		\$ 24,576		\$ 55,441
Attorney			10,730		10,730
Clerk			22,917		22,917
Administrative Services			112,683		112,683
Assessing			33,757		33,757
Total General Government	<u>30,865</u>		<u>204,663</u>		<u>235,528</u>
Services:					
Animal Protection			30,164		30,164
Parks and Recreation			75,952	\$ 140,582	216,534
Planning			43,012		43,012
Day Care			11,060		11,060
Non-Departmental			30,777		30,777
Local Emergency Planning Commission			12,077		12,077
Total Services			<u>203,042</u>	<u>140,582</u>	<u>343,624</u>
Service Areas:					
Southend Fire District			193,204		193,204
Shoreline Service Area			22,065		22,065
Total Service Areas			<u>215,269</u>		<u>215,269</u>
General Fixed Assets (Unidentified)					
Acquired in previous fiscal periods		\$ 1,612,316	791,897		2,404,213
Total General Fixed Assets	<u>\$ 30,865</u>	<u>\$ 1,612,316</u>	<u>\$ 1,414,871</u>	<u>\$ 140,582</u>	<u>\$ 3,198,634</u>

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GENERAL LONG-TERM DEBT ACCOUNT GROUP

This account group accounts for all the unmatured general long-term liabilities of the Borough that are payable from revenue sources other than from proprietary and trust funds and for which the Borough is obligated in some manner. The liabilities are secured by the general credit and revenue raising power of the Borough rather than specific assets acquired or specific fund resources.

The following schedules are included in this section:

Comparative Statements of General Long-Term Debt

Statement of Changes in Long-Term Debt

Combined Schedule of Bonds Payable

Debt Services Requirements to Maturity

KETCHIKAN GATEWAY BOROUGH
 GENERAL LONG-TERM DEBT ACCOUNT GROUP
 COMPARATIVE STATEMENTS OF GENERAL LONG-TERM DEBT
 June 30, 1993 and 1992

	<u>June 30, 1993</u>	<u>June 30, 1992</u>
Other Debits		
Amount to be Provided—Bonds	\$ 12,384,000	\$ 16,194,000
Amount to be Provided—Leases	<u> </u>	<u>62,004</u>
Total Other Debits	<u>\$ 12,384,000</u>	<u>\$ 16,256,004</u>
Liabilities		
58 APW Debt	\$ 529,000	\$ 529,000
74 School Refunding G.O. Bonds	995,000	1,360,000
83 School Construction G.O. Bonds	2,460,000	4,705,000
89 School Construction G.O. Bonds	<u>8,400,000</u>	<u>9,600,000</u>
Total G.O. Bonds	12,384,000	16,194,000
Lease Purchase Liability	<u> </u>	<u>62,004</u>
Total General Long-term Debt	<u>\$ 12,384,000</u>	<u>\$ 16,256,004</u>

KETCHIKAN GATEWAY BOROUGH
 GENERAL LONG-TERM DEBT ACCOUNT GROUP
 STATEMENT OF CHANGES IN LONG-TERM DEBT
 For the Fiscal Year Ended June 30, 1993

	<u>Balance</u> <u>June 30, 1992</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 1993</u>
Other Debits				
Amount to be Provided-Bonds	\$ 16,194,000		\$ 3,810,000	\$ 12,384,000
Amount to be Provided-Leases	<u>62,004</u>		<u>62,004</u>	
Total Other Debits	<u>\$ 16,256,004</u>		<u>\$ 3,872,004</u>	<u>\$ 12,384,000</u>
Liabilities				
58 APW Debt	\$ 529,000			\$ 529,000
74 School Refunding G.O. Bonds	1,360,000		\$ 365,000	995,000
83 School Construction G.O. Bonds	4,705,000		2,245,000	2,460,000
89 School Construction G.O. Bonds	<u>9,600,000</u>		<u>1,200,000</u>	<u>8,400,000</u>
	16,194,000		3,810,000	12,384,000
Lease Purchase Liability	<u>62,004</u>		<u>62,004</u>	
Total General Long-term Debt	<u>\$ 16,256,004</u>		<u>\$ 3,872,004</u>	<u>\$ 12,384,000</u>

KETCHIKAN GATEWAY BOROUGH
 COMBINED SCHEDULE OF BONDS PAYABLE

Year Ended June 30, 1993

	Interest Rate	Payment Dates	Issue Date	Final Maturity Date	Authorized	Issued	Retired	Outstanding
GENERAL OBLIGATION BONDS								
1958 APW Bonds	2.00				\$ 1,336,000	\$ 1,336,000	\$ 807,000	\$ 529,000
1972 Airport Bonds	5.50 - 6.50	5/1 & 11/1	05/01/72	05/01/97	2,200,000	2,200,000	1,580,000	620,000
1973 Airport Bonds	5.50 - 6.50	4/1 & 10/1	04/01/73	04/01/93	790,000	790,000	790,000	
1974 School Refunding	5.00 - 8.00	3/1 & 9/1	03/01/74	09/01/95	4,835,000	4,835,000	3,840,000	995,000
1983 School Construction	9.15 - 20.00	6/1 & 12/1	06/01/83	06/01/93	16,900,000	16,900,000	14,440,000	2,460,000
1989 Series "A" School Bonds	6.20 - 6.70	4/1 & 10/1	11/14/89	10/01/2000	9,600,000	9,600,000	1,200,000	8,400,000
					<u>\$ 35,661,000</u>	<u>\$ 35,661,000</u>	<u>\$ 22,657,000</u>	<u>\$ 13,004,000</u>
REVENUE BONDS								
1980 Airport Improvement Bonds	8.00	5/1 & 11/1	05/01/80	05/01/00	\$ 410,000	\$ 410,000	\$ 160,000	\$ 250,000

KETCHIKAN GATEWAY BOROUGH
DEBT SERVICE REQUIREMENTS TO MATURITY

June 30, 1993

Fiscal Year	G.O. Bonds—Education		Total		G. O. Bonds—Airport		Total		Revenue Bonds—Airport		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
1994	4,045,000	814,534	4,859,534	35,840	140,000	35,840	175,840	25,000	20,000	25,000	20,000	45,000
1995	1,610,000	491,588	2,101,588	27,300	150,000	27,300	177,300	30,000	18,000	30,000	18,000	48,000
1996	1,400,000	399,200	1,799,200	18,150	160,000	18,150	178,150	30,000	15,600	30,000	15,600	45,600
1997	1,200,000	317,400	1,517,400	9,350	170,000	9,350	179,350	35,000	13,200	35,000	13,200	48,200
1998	1,200,000	239,400	1,439,400	0	0	0	0	40,000	10,400	40,000	10,400	50,400
1999	1,200,000	160,200	1,360,200	0	0	0	0	40,000	7,200	40,000	7,200	47,200
2000	1,200,000	80,400	1,280,400	0	0	0	0	50,000	4,000	50,000	4,000	54,000
	<u>\$ 11,855,000</u>	<u>\$ 2,502,722</u>	<u>\$ 14,357,722</u>	<u>\$ 90,640</u>	<u>\$ 620,000</u>	<u>\$ 90,640</u>	<u>\$ 710,640</u>	<u>\$ 250,000</u>	<u>\$ 88,400</u>	<u>\$ 250,000</u>	<u>\$ 88,400</u>	<u>\$ 338,400</u>

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COMPONENT UNIT

The following pages present condensed financial statements of the the Ketchikan Gateway Borough School District. Complete financial statements of the component unit can be obtained directly from their administrative offices.

Administrative Offices:

Ketchikan Gateway Borough School District
Pouch Z
Ketchikan, Alaska 99901

The following schedules are included in this section:

Balance Sheet-Component Unit

Combined Statement of Revenues, Expenditures and
Changes in Fund Balances

KETCHIKAN GATEWAY BOROUGH
BALANCE SHEET—COMPONENT UNIT

June 30, 1993

	Ketchikan Gateway School District
Cash & Temporary Investments	\$ 267,756
Due from other Governments	525,613
Inventory	24,536
Due From Other Funds	549,415
Prepaid Expenses	235,101
Investment	115,562
Land	117,216
Buildings	27,270,836
Improvements	17,867
Buildings	<u>4,637,139</u>
Total Assets	<u>\$ 33,761,041</u>
LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts Payable	\$ 606,230
Deferred Compensation	171,734
Accrued Liabilities	199,123
Deferred Revenue	<u>43,761</u>
TOTAL LIABILITIES	<u>1,020,848</u>
Equity and Other Credits:	
Investment in General	
Fixed Assets	<u>32,043,058</u>
Fund Balance	
Reserved for Prepaid Insurance	235,101
Reserved for Inventory	24,536
Reserved for PL-874	14,817
Reserved for Endowments	25,000
Reserved for Encumbrances	543,860
Unreserved	<u>(146,179)</u>
TOTAL FUND BALANCE	<u>697,135</u>
Total Liabilities & Fund Balance	<u>\$ 33,761,041</u>

KETCHIKAN GATEWAY BOROUGH

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Component Unit

For the Fiscal Year Ended June 30, 1993

	Ketchikan Gateway School District
REVENUES	
Revenues from Other Govts	\$ <u>16,447,903</u>
EXPENDITURES	
Current	
Education	<u>22,497,767</u>
Excess (Deficit) of Revenues over Expenditures	<u>(6,049,864)</u>
Other Financing Sources (Uses)	
Operating Transfers In	<u>6,347,993</u>
Total Other Financing Sources (Uses)	<u>6,347,993</u>
Excess (Deficit) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	298,129
Fund Balances, Beginning of Year	<u>399,006</u>
Fund Balances, End of Year	<u>\$ 697,135</u>

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STATISTICAL SECTION - (UNAUDITED)

This section contains various tables showing historical and other financial information considered to be informative in understanding the finances of the Borough.

The following schedules are included in this section:

- General Governmental Expenditures by Function
- General Governmental Revenues by Source
- General Governmental Tax Revenues by Source
- Per Capita Cost of General Government Expenditures
- Property Tax Levies and Collections
- Assessed and Estimated Actual Value of Taxable Property
- Assessed Value of Taxable Property and Tax Rates - All
Overlapping Governments
- Ratio of General Bonded Debt to Assessed Value and Bonded
Debt Per Capita
- Computation of Legal Debt Margin and Computation of Direct
and Overlapping Debt
- Computation of Direct & Overlapping Debt
- Ratio of Annual Debt Service Expenditures for General
Bonded Debt to Total General Expenditures
- Insurance Coverages
- Demographic Statistics
- Principal Taxpayers
- Miscellaneous Statistics
- Combined Schedule of Cash and Investment Balances - All
Funds

UNAUDITED SECTION

KETCHIKAN GATEWAY BOROUGH
 GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION
 Ten Year Period Ending June 30, 1993

<u>Fiscal Year</u>	<u>General Government</u>	<u>Public Services</u>	<u>Education</u>		<u>Debt Service Education</u>
			<u>Operating</u>	<u>Capital</u>	
1984	\$3,206	\$431	\$13,370	\$2,532	\$2,217
1985	2,804	460	14,406	7,413	3,178
1986	2,730	944	14,474	10,884	3,064
1987	3,021	978	14,684	2,029	3,085
1988	2,238	1,438	15,896	32	3,074
1989	2,079	1,819	16,689	10	3,068
1990	2,230	2,046	16,752	779	3,244
1991	1,962	3,145	17,535	1,123	5,671
1992	1,974	4,132	17,761	4,060	5,490
1993	1,964	4,998	595	13,191	4,923

All amounts have been rounded to the nearest thousand.

General government expenditures and revenue figures include data for all funds except proprietary and fiduciary fund types.

UNAUDITED

KETCHIKAN GATEWAY BOROUGH
GENERAL GOVERNMENTAL REVENUES BY SOURCE

Ten Year Period Ending June 30, 1993

<u>Fiscal Year</u>	<u>Taxes</u>	<u>Inter – governmental Revenues</u>	<u>Charges for Services</u>	<u>Other Revenues</u>	<u>Total</u>
1984	\$2,618	\$15,476	\$680	\$2,821	\$21,595
1985	4,094	15,883	543	2,935	23,455
1986	3,889	16,878	583	1,872	23,222
1987	4,260	15,436	580	1,051	21,327
1988	6,052	22,729	771	850	30,402
1989	6,843	15,974	776	1,083	24,676
1990	7,312	16,365	954	1,026	25,657
1991	7,572	18,988	539	2,354	29,453
1992	8,235	19,461	348	2,150	30,194
1993	9,991	13,680	296	2,255	26,222

All amounts have been rounded to the nearest thousand.

General government expenditures and revenue figures include data for all funds except proprietary and fiduciary fund types.

UNAUDITED

KETCHIKAN GATEWAY BOROUGH
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE

Ten Year Period Ending June 30, 1993

<u>Fiscal Year</u>	<u>General Property</u>	<u>General Sales</u>	<u>Total</u>
1984	\$695	\$1,923	\$2,618
1985	2,186	1,908	4,094
1986	1,923	1,966	3,889
1987	2,305	1,955	4,260
1988	3,979	2,073	6,052
1989	4,520	2,323	6,843
1990	4,369	2,391	6,760
1991	4,278	2,774	7,052
1992	4,846	2,727	7,573
1993	6,273	2,866	9,139

All amounts have been rounded to the nearest thousand.

General government expenditures and revenue figures include data for all funds except proprietary and fiduciary fund types.

UNAUDITED

KETCHIKAN GATEWAY BOROUGH
PER CAPITA COST OF GENERAL GOVERNMENT EXPENDITURES

Ten Year Period Ending June 30, 1993

<u>Fiscal Year</u>	<u>Population</u>	<u>Total</u>		
		<u>Operations & Capital Outlay</u>	<u>Debt Service</u>	<u>Capital Improvements</u>
1984	14,314	\$16,339,926	\$2,217,244	\$ 3,199,272
1985	14,314	17,172,169	3,177,612	7,911,147
1986	14,314	17,504,612	3,064,517	11,526,513
1987	14,314	17,364,199	3,084,952	3,347,973
1988	12,829	19,031,170	3,074,125	1,211,427
1989	12,829	20,094,188	3,068,468	300,920
1990	12,829	21,026,480	3,243,835	779,006
1991	13,818	22,642,407	5,670,557	1,122,717
1992	13,828	23,867,425	5,490,176	4,059,546
1993	13,828	7,556,791	4,923,178	13,190,582

<u>Fiscal Year</u>	<u>Population</u>	<u>Per Capita</u>		
		<u>Operations & Capital Outlay</u>	<u>Debt Service</u>	<u>Capital Improvements</u>
1984	14,314	\$1,141.53	\$154.90	\$223.51
1985	14,314	1,199.68	221.99	552.69
1986	14,314	1,222.90	214.09	805.26
1987	14,314	1,213.09	215.52	233.89
1988	12,829	1,483.45	239.62	94.43
1989	12,829	1,566.31	239.18	23.46
1990	12,829	1,638.98	252.85	60.72
1991	13,818	1,638.62	410.37	81.25
1992	13,828	1,726.02	397.03	293.57
1993	13,828	546.48	356.03	953.90

General government expenditures and revenue figures include data for all funds except proprietary and fiduciary fund types.

UNAUDITED

KETCHIKAN GATEWAY BOROUGH
PROPERTY TAX LEVIES AND COLLECTIONS

Ten Year Period Ending June 30, 1993

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>
1984	\$ 594,507	\$ 587,386	98.8%	\$ 5,620	\$ 5,620
1985	1,984,597	1,969,314	99.2%	19,250	1,988,564
1986	1,690,886	1,681,476	99.4%	6,786	1,688,262
1987	1,958,321	1,947,614	99.5%	7,236	1,954,850
1988	3,866,473	3,717,544	96.1%	89,302	3,806,846
1989	4,491,458	4,420,026	98.4%	6,212	4,426,238
1990	4,540,936	4,426,772	97.5%	47,459	4,474,231
1991	4,413,036	4,304,335	97.5%	127,388	4,431,723
1992	5,105,663	4,696,759	92.0%	148,936	4,845,695
1993	6,573,889	6,447,090	98.1%	113,928	6,561,018

<u>Fiscal Year</u>	<u>Total Collections As Percent Of Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Outstanding Delinquent Taxes As % Of Levy</u>
1984	99.7%	\$ 24,553	4.1%
1985	100.2%	15,283	0.8%
1986	99.8%	15,280	0.9%
1987	99.8%	7,236	0.4%
1988	98.5%	195,702	5.1%
1989	98.5%	212,692	4.7%
1990	98.5%	315,991	7.0%
1991	100.4%	297,304	6.7%
1992	94.9%	557,272	10.9%
1993	99.8%	570,143	8.7%

UNAUDITED.

KETCHIKAN GATEWAY BOROUGH
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 Ten Year Period Ending June 30, 1993

<u>Fiscal Year</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Percent of Estimated Value To Assessed Value</u>
1984	\$573,656,746	\$573,656,746	100.0%
1985	638,157,830	638,157,830	100.0%
1986	660,988,333	660,988,333	100.0%
1987	652,773,750	652,773,750	100.0%
1988	644,691,600	644,691,600	100.0%
1989	672,170,100	672,170,100	100.0%
1990	710,801,700	710,801,700	100.0%
1991	735,506,000	735,506,000	100.0%
1992	773,585,250	773,585,250	100.0%
1993	792,034,850	792,034,850	100.0%

UNAUDITED

Table 7

KETCHIKAN GATEWAY BOROUGH

ASSESSED VALUE, TAXABLE PROPERTY AND TAX RATES – ALL OVERLAPPING GOVERNMENTS

Ten Year Period Ending June 30, 1993

Fiscal Year	Assessed Value of Real and Personal Property	Property Tax Millage Rates							Tax Levy Municipal Purposes
		City of Ketchikan	Shoreline Svc Area	South End Fire Svc Area	Mud Bight Service Area	Forest Pk Service Area	Non Areawide	Ketchikan Gateway Borough	
1984	\$573,656,746	8.40	0.75	\$1.00				1.00	\$ 594,507
1985	638,157,830	8.90	1.00	1.00				3.10	1,984,597
1986	660,988,333	8.90	2.00	1.00	\$10.00			2.55	1,690,886
1987	652,773,750	9.50	0.50	1.00	15.00		\$0.58	3.00	1,958,321
1988	644,691,600	9.10	0.50	1.00	7.50		0.60	5.70	3,866,473
1989	672,170,100	8.20	0.50	1.00	5.00		0.85	6.00	4,491,458
1990	710,801,700	8.80	0.50	1.00	5.00		0.85	6.00	4,540,936
1991	735,506,000	8.70	0.50	1.00	10.00		1.00	6.00	4,413,036
1992	773,585,250	8.10	1.00	1.00	10.00		0.60	6.60	5,105,663
1993	792,034,850	7.50	1.00	1.00	10.00		0.60	8.30	6,573,889

UNAUDITED

KETCHIKAN GATEWAY BOROUGH

RATIO OF GENERAL BONDED DEBT TO ASSESSED VALUE AND
BONDED DEBT PER CAPITA

Ten Year Period Ending June 30, 1993

<u>Fiscal Year</u>	<u>Population</u>	<u>Assessed Value</u>	<u>General Bonded Debt</u>	<u>Ratio to Assessed Value</u>	<u>General Bonded Debt per Capita</u>
1984	14,314	\$573,656,746	\$23,019,000	4.40%	\$1,826
1985	14,314	638,157,830	21,619,000	3.39%	1,510
1986	14,314	660,988,333	20,094,000	3.04%	1,404
1987	14,314	652,773,750	18,404,000	2.82%	1,286
1988	12,829	644,691,600	16,559,000	2.57%	1,291
1989	12,829	672,170,100	14,549,000	2.16%	1,134
1990	12,829	710,801,700	24,364,000	3.43%	1,899
1991	13,818	735,506,000	20,794,000	2.83%	1,505
1992	13,828	773,585,250	15,379,000	1.99%	1,112
1993	13,828	792,034,850	12,384,000	1.56%	896

UNAUDITED

KETCHIKAN GATEWAY BOROUGH
COMPUTATION OF LEGAL DEBT MARGIN

June 30, 1993

No Debt Limit is Mandated by Law

COMPUTATION OF DIRECT AND OVERLAPPING DEBT

June 30, 1993

Total Direct Debt		
Outstanding G.O. Bonds – Ketchikan Gateway Borough		\$13,004,000
Less Self Supporting Debt:		
1972 Airport Improvement Bonds		<u>620,000</u>
Net Direct Debt		12,384,000
Overlapping Debt of the City of Ketchikan (100%)		
Outstanding G.O. Bonds – City of Ketchikan	6,803,000	
Less Self Supporting Debt:		
Bonds Paid from Ketchikan Port Fund Revenues	(115,000)	
Bonds Paid from Sales Tax Hospital Fund Revenues	(265,000)	
Bonds Paid from Wastewater Fund Revenues	(85,000)	
Bonds Paid from Refunding Bonds	<u>(6,338,000)</u>	
Total Direct and Overlapping Debt		<u>\$12,384,000</u>

Source: Ketchikan Gateway Borough and City of Ketchikan Financial Records

UNAUDITED

KETCHIKAN GATEWAY BOROUGH

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES

Ten Year Period Ending June 30, 1993

Fiscal Year	Debt Service Payments			Total General Expenditures	Ratio of Debt Service to General Expenditures
	Principal	Interest	Total		
1984	\$ 299,000	\$1,918,244	\$2,217,244	\$21,756,442	10.2%
1985	1,400,000	2,017,358	3,417,358	28,260,928	12.1%
1986	1,399,000	1,665,517	3,064,517	29,031,125	10.6%
1987	1,555,000	1,529,952	3,084,952	20,712,172	14.9%
1988	1,695,000	1,379,125	3,074,125	20,242,597	15.2%
1989	1,910,471	1,218,468	3,128,939	23,664,786	13.2%
1990	2,020,000	1,046,112	3,066,112	24,635,784	12.4%
1991	3,395,000	1,933,012	5,328,012	33,514,929	15.9%
1992	3,600,000	1,388,482	4,988,482	32,637,470	15.3%
1993	3,810,000	1,112,455	4,922,455	25,670,551	19.2%

UNAUDITED

KETCHIKAN GATEWAY BOROUGH

INSURANCE COVERAGES

Year Ending June 30, 1993

Condensed Description of Coverages	
Fire Insurance	
Broad form perils, fire and EC, vandalism and malicious mischief – all property and equipment and certain scheduled property	68,022,591
Comprehensive General Liability	
Bodily injury and property damage	2,000,000
Auto Liability	
Bodily injury and property damage	1,000,000
Public Officials Liability	1,000,000
Marine Insurance – Airport Ferries	
Hull Insurance	1,000,000
Liability	4,000,000
Worker's Compensation and Employer's Liability	
All Borough employees	Statutory
Position and Fidelity Bonds	
Revenue Collector	75,000
Employee honesty blanket position bond – each employee, except Mayor, Assembly members and Commissioners	75,000
Airport Owners & Operators Liability	
Bodily injury and property damage	100,000,000
Airport premises and Non owned	
Aircraft Liability	5,000,000
Boiler and Machinery Policy	
Limit per accident	500,000
Notary Errors & Omissions	25,000
Foreign General Liability	1,000,000
School Leaders Errors and Omissions	1,000,000
Commercial Umbrella	100,000,000
Commercial Crime	75,000

UNAUDITED

KETCHIKAN GATEWAY BOROUGH
 DEMOGRAPHIC STATISTICS
 Ten Year Period Ending June 30, 1993

<u>Fiscal Year</u>	<u>Borough Population</u>	<u>Borough School Enrollment(2)</u>	<u>Alaska Unemployment Rate(1)</u>	<u>Ketchikan Unemployment Rate(1)</u>
1984	14,314	2,512	12.6%	
1985	14,314	2,492	11.3%	
1986	14,314	2,535	10.0%	
1987	14,314	2,605	10.9%	
1988	12,829	2,594	9.7%	
1989	12,829	2,480	10.8%	
1990	12,829	2,757	6.7%	7.5%
1991	13,818	2,823	7.0%	7.9%
1992	13,828	2,664	8.5%	9.9%
1993	13,828	2,690	6.1%	5.9%

Sources:

(1) Alaska State Department of Labor

(2) Ketchikan Gateway Borough School District (Average Daily Attendance)

UNAUDITED.

KETCHIKAN GATEWAY BOROUGH

PRINCIPAL TAXPAYERS

For the Year Ended June 30, 1993

<u>Taxpayer</u>	<u>Business Type</u>	<u>Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Ketchikan Pulp	Forest Products	\$ 80,022,450	10.10%
Cape Fox Corporation (Includes Cape Fox Hotel Corp.)	Forest Products	10,250,200	1.29%
The Hames Group	Retail Stores	9,072,200	1.15%
Port West, Inc.	Retail Stores	8,601,950	1.09%
Seley Incorporated	Commercial Property	8,124,300	1.03%
E. C. Phillips & Son, Inc.	Fish Processing	7,372,600	0.93%
Wayne Construction	Construction	7,348,850	0.93%
Union Oil Company	Petroleum Products	5,552,000	0.70%
Vanderwheele, James & Ken	Commercial Property	4,655,500	0.59%
Ward's Cove Packing Co., Inc.	Seafood Processing	4,531,500	0.57%
Haines Terminal & Hwy Co. (Chevron, U.S.A.)	Petroleum Products	<u>4,278,450</u>	0.54%
Total Principal Taxpayers		\$ <u>149,810,000</u>	<u>18.91%</u>
Total Assessed Valuation		\$ <u>792,034,850</u>	<u>100.00%</u>

UNAUDITED

KETCHIKAN GATEWAY BOROUGH
 MISCELLANEOUS STATISTICS
 FOR THE YEAR ENDED JUNE 30, 1993

Date of Incorporation	9/13/1963
Type of Government	Second Class Borough
Form of Government	Assembly/Manager
Area – Square Miles	1,242
Education (through Grade 12 only)	
Number of Attendance Centers	7
Number of Classrooms	131
Number of Teachers	171FTE
Number of Students (Average Daily Attendance)	2,690
Elections	
Number of Registered Voters	8,090
Number of Votes in last regular election	3,342
Airport Operations	
Landings & Takeoffs per year – all Aircraft	36,588
Air Carrier Passengers per year	175,518
Ferry Passengers	368,775
Ferry Vehicles	82,242
Planning	
Number of zoning permits issued	279
Permanent Employees as of June 30, 1993	77

UNAUDITED

KETCHIKAN GATEWAY BOROUGH

COMBINED SCHEDULE OF CASH AND INVESTMENT BALANCES ... ALL FUNDS

June 30, 1993

CASH & INVESTMENTS CLASSIFIED BY FUND

General Fund		\$ 734,302
Special Revenue Funds:		
Land Trust Fund	4,954,255	
Non Areawide Fund	311,039	
Permanent Fund	259,046	
School Bond/Capital Imp Fund	76,842	
South End Fire District Fund	104,142	
Shoreline Service Area Fund	47,352	
Special Recreation Fund	48,398	
Recreation Sales Tax Fund	38,384	
Mt. Point Service Area Fund	93,661	
Waterfall Service Area Fund	59,012	
Mud Bight Service Area	27,423	
South Tongass Service Area Fund	7,311	
Forest Park Service Area Fund	285,404	
Gold Nugget Service Area Fund	12,674	
State & Federal Grants Fund	<u>562,365</u>	6,887,308
Capital Projects Fund:		
School Bond Construction Fund	10,006,219	
Ketchikan K-hi Swimming Pool Remodel	<u>149,634</u>	10,155,853
Enterprise Funds:		
Airport Fund – Unrestricted	211,887	
Airport Fund – Restricted	<u>59,733</u>	271,620
Agency:		
Cash with Deferred Comp Agent		<u>547,404</u>
Total Cash by Fund		<u>\$ 18,596,487</u>

CASH CLASSIFIED BY DEPOSITORY

Change Funds & Petty Cash	\$ 2,081	
Coopers & Lybrand Trust Account	437,174	
First Bank of Ketchikan	3,801	
National Bank of Alaska	876,352	
Funds with Fiscal Agents	<u>547,404</u>	
Total Cash		1,866,812
Investments		
National Bank of Alaska	2,750,000	
U.S. Trust	<u>13,979,675</u>	
Total Investments		<u>\$ 16,729,675</u>
Total Cash and Investments		<u>18,596,487</u>